Ras Al Khaimah Co. For White Cement & Construction Materials P.S.C.

Ras Al Khaimah
United Arab Emirates

Condensed Interim Consolidated Financial Information (Unaudited) And Review Report For The Three Month Period Ended March 31, 2023

Ras Al Khaimah Co. For White Cement & Construction Materials P.S.C.
Ras Al Khaimah
United Arab Emirates

Condensed Interim Consolidated Financial Information And Review Report For The Three Month Period Ended March 31, 2023 (Unaudited)

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RAS AL KHAIMAH CO. FOR WHITE CEMENT & CONSTRUCTION MATERIALS P.S.C.

DIRECTORS' REPORT

The Directors submit their report together with the reviewed condensed interim consolidated financial statements of Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C. and its subsidiaries for the three month period ended March 31, 2023.

Incorporation and registered office

Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C., Ras Al Khaimah (the "Company") is incorporated as a public shareholding company by Emiri decree number 13/81 dated 3 October 1981 issued by His Highness the Ruler of Ras Al Khaimah. The address of the Company's registered office is P.O. Box 1492, Ras Al Khaimah, United Arab Emirates.

The "Group" comprises Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C. and its subsidiaries:

Name of subsidiary	Proportion of ownership interest	Country of incorporation	Principal activities
Modern Block Factory Establishment	100%	U.A.E.	Manufacturing of concrete blocks, interlock tiles and cement products.
Ras Al Khaimah Lime Co. Noora LLC	100%	U.A.E.	Manufacturing of lime products.

The principal activities of the Group are manufacturing and supply of white cement, lime products and cement products and investing, establishing and managing relevant activities.

Results and appropriation

The results of the Group for the period ended March 31, 2023 are set out in the attached condensed interim consolidated financial statements.

Dividends

At the annual general meeting held on April 11, 2023, the Shareholders approved no dividend distribution to the shareholders in respect for the year ended December 31, 2022. They have also approved the board of Directors' remuneration for an amount of AED 360,000.

At the annual general meeting held on March 31, 2022, the Shareholders approved cash dividends of 10% amounting to AED 50,015,700 to the shareholders in respect for the year ended December 31, 2021. They have also approved the board of Directors' remuneration for an amount of AED 2,850,000.

On behalf of the Board,

Vice Chairman

Chief Executive Officer

May 8, 2023

REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors
Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C.
Ras Al Khaimah
United Arab Emirates

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of **Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C. and its subsidiaries ("Group")** as of March 31, 2023 and the related condensed interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and a summary of significant accounting policies and selected explanatory notes. Management is responsible for the preparation and fair presentation of these condensed interim consolidated financial information in accordance with International Accounting Standard No. 34, "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this condensed interim consolidated financial information 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 condensed interim consolidated financial information are not prepared, in all material respects, in accordance with International Accounting Standard No. 34 "*Interim Financial Reporting*".

For **TALAL ABU-GHAZALEH & CO. INTERNATIONAL**

TALAT ZABEN
LICENSED AUDITOR NO. 68

Ras Al Khaimah
May 8, 2023

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هاتف : ٤٢٧ ٢٢٨٨ ٧ ٩٧١+
فاكس : ٩٢٩ ٢٢٨٥ ٧ ٩٧١+
ص.ب: ٤٠٣، رأس الخيمة، الإمارات العربية المتحدة

Ras Al Khaimah Co. For White Cement & Construction Materials P.S.C.
Ras Al Khaimah
United Arab Emirates
Condensed Interim Consolidated Statement Of Financial Position
As At March 31, 2023 (Unaudited)

EXHIBIT A

ASSETS	Notes	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Non-current assets			
Property, plant and equipment	5	**460,753,594**	466,096,947
Investments at fair value through other comprehensive income (FVTOCI)	6	**95,096,318**	107,312,273
Total non-current assets		**555,849,912**	573,409,220
Current assets			
Inventories	7	**86,144,014**	78,466,474
Trade and other receivables	8	**70,558,292**	51,681,491
Investments at fair value through profit or loss (FVTPL)	6	**29,772,065**	31,504,588
Cash and banks	9	**144,691,252**	147,119,440
Total current assets		**331,165,623**	308,771,993
TOTAL ASSETS		**887,015,535**	882,181,213
EQUITY AND LIABILITIES			
Equity			
Share capital	10	**500,157,000**	500,157,000
Statutory reserve	11	**118,102,515**	118,102,515
Cumulative changes in fair value (FVTOCI)		**(51,132,226)**	(38,916,271)
Retained earnings		**203,432,179**	202,812,080
Total equity - Exhibit C		**770,559,468**	782,155,324
Non-current liability			
Employees' end of service benefits		**9,971,587**	10,485,524
Total non-current liability		**9,971,587**	10,485,524
Current liabilities			
Trade and other payables	12	**106,484,480**	89,540,365
Total current liabilities		**106,484,480**	89,540,365
Total liabilities		**116,456,067**	100,025,889
TOTAL EQUITY AND LIABILITIES		**887,015,535**	882,181,213

The condensed interim consolidated financial information was approved by the Board of Directors on May 8, 2023 and signed on its behalf by.

Vice Chairman **Chief Executive Officer**

The accompanying notes from 1 to 19 are an integral part of this condensed interim consolidated financial statements (unaudited).

Ras Al Khaimah Co. For White Cement & Construction Materials P.S.C.
Ras Al Khaimah
United Arab Emirates

Condensed Interim Consolidated Statement Of Profit Or Loss For The Three-Month Period Ended March 31, 2023 (Unaudited)

EXHIBIT B-1

	Notes	March 31, 2023 (Unaudited) AED	March 31, 2022 (Unaudited) AED
Sales		**66,660,298**	64,107,185
Cost of sales		**(60,820,560)**	(54,072,472)
Gross profit		**5,839,738**	10,034,713
Other income		**111,697**	32,591
Selling, general and administrative expenses		**(5,449,376)**	(5,621,659)
Operating profit		**502,059**	4,445,645
Investment profit/(Loss)		**133,548**	12,214,063
Foregin exchange loss		**(15,508)**	(59,638)
Finance Cost		**-**	(289,017)
Profit for the period – Exhibit C		**620,099**	16,311,053
Basic earnings per share	**13**	**0.001**	0.033

The accompanying notes from 1 to 19 are an integral part of this condensed interim consolidated financial statements (unaudited).

Ras Al Khaimah Co. For White Cement & Construction Materials P.S.C.
Ras Al Khaimah
United Arab Emirates

Condensed Interim Consolidated Statement Of Comprehensive Income For The Three-Month Period Ended March 31, 2023 (Unaudited)

EXHIBIT B-2

	March 31, 2023 (Unaudited) AED	March 31, 2022 (Unaudited) AED
Profit for the period – Exhibit C	**620,099**	16,311,053
Other comprehensive income/(loss)		
Items that will not be reclassified subsequently to profit or loss		
Changes in fair value of investments at FVTOCI	**(12,215,955)**	41,994,100
Realized gain on diposal of investments at FVTOCI	**-**	3,381,664
Total other comprehensive income/(loss) for the period – Exhibit C	**(12,215,955)**	45,375,764
Total comprehensive income for the period	**(11,595,856)**	61,686,817

The accompanying notes from 1 to 19 are an integral part of this condensed interim consolidated financial statements (unaudited).

RAS AL KHAIMAH CO. FOR WHITE CEMENT & CONSTRUCTION MATERIALS P.S.C.
RAS AL KHAIMAH
UNITED ARAB EMIRATES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023 (UNAUDITED)

EXHIBIT C

Description	Share Capital AED	Legal reserve AED	Cumulative changes in fair value (FVTOCI) AED	Retained earnings AED	Total AED
At December 31, 2021 (Audited)	500,157,000	115,993,875	(50,746,724)	228,371,952	793,776,103
Profit for the period – Exhibit B-1	-	-	-	16,311,053	16,311,053
Other comprehensive income for the period - Exhibit B-2	-	-	45,375,764	-	45,375,764
Total comprehensive income for the period	**-**	**-**	**45,375,764**	**16,311,053**	**61,686,817**
Transfer to retained earnings upon disposal of investment recorded at FVTOCI	-	-	(3,381,664)	3,381,664	-
Dividend declared during the period (Note 14)	-	-	-	(50,015,700)	(50,015,700)
At March 31, 2022 (Unaudited)	**500,157,000**	**115,993,875**	**(8,752,624)**	**198,048,969**	**805,447,220**
At December 31, 2022 – Exhibit A (Audited)	500,157,000	118,102,515	(38,916,271)	202,812,080	782,155,324
Loss for the period – Exhibit B-1	-	-	-	620,099	620,099
Other comprehensive income for the period - Exhibit B-2	-	-	(12,215,955)	-	(12,215,955)
Total comprehensive income for the period	**-**	**-**	**(12,215,955)**	**620,099**	**(11,595,856)**
At March 31, 2023 (Unaudited)	**500,157,000**	**118,102,515**	**(51,132,226)**	**203,432,179**	**770,559,468**

The accompanying notes from 1 to 19 are an integral part of this condensed interim consolidated financial statements (unaudited).

Ras Al Khaimah Co. For White Cement & Construction Materials P.S.C.
Ras Al Khaimah
United Arab Emirates
Condensed Interim Consolidated Statement Of Cash Flows
For The Three-Month Period Ended March 31, 2023 (Unaudited)

EXHIBIT D

	March 31, 2023 (Unaudited) AED	March 31, 2022 (Unaudited) AED
Cash Flows from Operating Activities		
Profit for the period – Exhibit B	**620,099**	16,311,053
Adjustments:		
Depreciation of property, plant and equipment	**8,151,875**	8,426,084
Provision for employees' end of service benefits	**(275,212)**	504,213
Dividend income	**(354,282)**	(879,555)
Interest income	**(1,511,787)**	(12,753)
Investment management fees	-	183,190
(Profit)/loss on sale of investment at FVTPL	-	(7,023,786)
Finance cost	-	289,017
Unrealized (gain)/loss on investments at FVTPL	**1,732,523**	(4,481,158)
Operating profit before working capital changes	**8,363,216**	13,316,305
Inventories	**(7,677,540)**	4,538,987
Trade and other receivables	**(17,375,871)**	(11,968,204)
Trade and other payables	**17,299,573**	4,702,483
Employees' end of service benefits paid	**(238,725)**	(19,406)
Net cash provided by operating activities	**370,653**	10,570,165
Cash Flows from Investment Activities		
Purchase of property, plant and equipment	**(2,808,522)**	(2,156,788)
Dividend received	**354,282**	879,555
Purchase of investments at FVTOCI	-	(9,505,770)
Purchase of investments at FVTPL	-	(39,874,674)
Disposal of investments at FVTOCI	-	43,658,971
Disposal of investments at FVTPL	-	41,524,148
Interest received	**10,857**	12,753
Management Fees	-	(183,190)
Term deposit	**(5,508,750)**	-
Net cash (used in)/provided by investment activities	**(7,952,133)**	34,355,005
Cash Flows from Financing Activities		
Repayment of term loans	-	(5,763,793)
Finance cost paid	-	(288,820)
Dividend paid	**(355,458)**	(183,190)
Net cash used in financing activities	**(355,458)**	(6,235,803)
Net (decrease)/increase in cash and cash equivalents	**(7,936,938)**	38,689,367
Cash and cash equivalents at the beginning of the period	**22,254,440**	127,510,534
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD- NOTE 9	**14,317,502**	166,199,901

The accompanying notes from 1 to 19 are an integral part of this condensed interim consolidated financial statements (unaudited).

1. GENERAL INFORMATION:

Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C. (the "Company") is incorporated as a public shareholding company by Emiri decree number 13/81 dated 3 October 1981 issued by His Highness, The Ruler of Ras Al Khaimah. The address of the Company's registered office is P.O. Box 1492, Ras Al Khaimah, United Arab Emirates.

The principal activities of the Company and its subsidiaries (the "Group") are manufacturing and supply of white cement, lime products, cement products and investing, establishing and managing similar activities. The "Group" comprises of Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C. and its Subsidiaries.

At the Annual General Assembly Meeting held on March 31, 2022, the shareholders approved to amend Company's article of association with respect to Article 5 (2) – Purposes of the Company and Article (7) – Percentage of Ownership and on April 13, 2022 the changes were applied.

Details of Company's subsidiaries at March 31, 2023 are as the following:

Name of subsidiaries	Proportion of Ownership interest	Country of incorporation	Principal activities
Modern Block Factory Establishment	100%	Ras Al Khaimah U.A.E.	Manufacturing of concrete blocks, interlock tiles and cement products.
Ras Al Khaimah Lime Co. Noora LLC	100%	Ras Al Khaimah U.A.E.	Manufacturing of lime products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

i. Basis of preparation:

This condensed interim financial information has been prepared in accordance with International Accounting Standard No. 34 “Interim Financial Reporting” and comply with the relevant Article of the company and the UAE Federal Law No. (32) of 2021.

The condensed interim financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the three months period ended March 31, 2023 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...):

ii. Basis of consolidation:

The condensed interim consolidated financial information as at, and for the three-month period ended 31st March 2023. Comprise result of the Group. The condensed interim financial information of the subsidiaries is prepared for the same reporting period as that of the Company, using consistent accounting policies. All inter-company transactions, profits and balance are eliminated on consolidation.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

iii. Statement of compliance:

The Group prepares its condensed interim consolidated financial statements in accordance, and comply with, International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRIC). This condensed interim consolidated financial information for the three-month period ended March 31, 2023 has been prepared in accordance with IAS 34, "Interim Financial Reporting".

iv. Accounting estimates and judgments:

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of the Company for the year ended December 31, 2022.

v. Financial risk management:

All aspects of the Company's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at December 31, 2022.

vi. Basis of measuring:

These interim financial statements have been prepared in accordance with the historical cost principle, except for investment at fair value through profit or loss and other comprehensive income, which have been measured at fair value.

vii. Functional and presentation currency:

These interim financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the functional current of the Group

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...):

viii. Accounting policies:

The condensed interim consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2022. In addition, results for the three-month period ended March 31, 2023, are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2023.

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2022 and corresponding interim reporting period.

Property and equipment:

Property and equipment held for use in production or supply of goods or services or for administrative purposes are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by the Management.

After initial recognition, the property and equipment are carried, in the statement of financial position, at their cost less accumulated depreciation and any accumulated impairment. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Group over the estimated useful lives of the assets and accordingly annual depreciation rates are decided for each class of assets. The annual rate of depreciation used are as follows:

Asset category	Life (Years)
Buildings	5-20
Plant and machinery	5-30
Tools and equipment	10-15
Vehicles	10
Furniture and fixtures	4

The depreciation charge for each period is recognized in the statement of profit or loss and other comprehensive income. The estimated useful lives, residual values and depreciation method are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.

On the subsequent derecognition (sale or retirement) of the property and equipment, the resultant gain or loss, being the difference between the net disposal proceeds, if any, and the carrying amount, is included in the statement of profit or loss and other comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...):

vii. Accounting policies: (Continued...)

Investment in securities:

a) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as gain on investments in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Investments at fair value through other comprehensive income (FVTOCI) represent investments that the Group intends to hold for the long term for strategic purposes. The Group elected to classify irrevocably its listed equity investments under available for sale category as financial assets designated at fair value through OCI

b) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued…):

vii. Accounting policies: (Continued…)

Investment in securities: (Continued…)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.

Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The Group may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch

3. CRITICAL ACCOUNTING ESTIMATES AND JUSGMENTS:

In the application of the Group's accounting policies, the Management is required to make judgments, estimates and assumptions about the reporting amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainties were consistent with the consolidated financial statements as at December 31, 2022.

Impairment of financial assets

Measurement of Expected Credit Loss ("ECL") is a significant estimate that involves determination methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as models of macro-economic scenarios. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience.

The expected loss rates are based on aging of receivables. The historical loss rates are adjusted for to reflect forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

3. CRITICAL ACCOUNTING ESTIMATES AND JUSGMENTS:

Allowance for slow moving and obsolete inventories

Inventories are stated at the lower of cost or net realizable value. Adjustments to reduce the cost of inventory to its net realizable value, if required, are made at the product level for estimated excess, obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, technological changes, physical deterioration and quality issues. Based on the factors, management has identified inventory items as slow and non-moving to calculate the allowance for slow moving and obsolete inventories. Revisions to the allowance for slow moving inventories would be required if the outcome of these indicative factors differ from the estimates.

Useful lives of property, plant and equipment

The cost of property and equipment is depreciated over the estimated useful life, which is based on expected usage of the assets, expected physical wear and tear, which depends on operational factors such as repair and maintenance program and physical obsolescence. The Management has not considered any residual value as it is deemed immaterial.

4. FINACIAL RISK MANAGEMENT

Financial risk factors

The Group activities it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

These condensed interim consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group annual consolidated financial statements as at 31 December 2022. There have been no changes in the risk management department or in any risk management policies since the year end.

Liquidity risk

Compared to year-end December 31, 2022, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

5. PROPERTY, PLANT AND EQUIPMENT:

a) Property, plant and equipment are stated at cost less accumulated depreciation, summarized as follows:

	AED
Cost:	
At December 31, 2021 (Restated)	846,495,630
Additions during the period	2,156,788
At March 31, 2022	848,652,418
Additions during the period	5,402,459
At December 31, 2022	854,054,877
Additions during the period	2,808,522
At March 31, 2023	**856,863,399**
Accumulated Depreciation:	
At December 31, 2021 (Restated)	354,082,914
Charged for the period	8,426,084
At March 31, 2022	362,508,998
Charged for the period	25,448,932
At December 31, 2022	**387,957,930**
Charged for the period	**8,151,875**
At March 31, 2023	**396,109,805**
Net Carrying Amount:	
At December 31, 2022 – Exhibit A	466,096,947
At March 31, 2023 – Exhibit A	**460,753,594**

b) Depreciation expense classified as follows:

	For period ended March 31, 2023 AED	For period ended March 31, 2022 AED
Cost of production	**8,047,084**	8,308,216
Selling and adminstrative expense	**104,791**	117,868

c) Plant and machinery having a carrying amount of AED 44 million (December 2022: AED 44 million) is mortgaged to bank against facilities obtained by the Group.

d) Borrowing costs amounting to AED Nil (2022: Nil) has been capitalized during the current period.

6. INVESTMENT IN SECURITIES:

a) Investments at fair value through other comprehensive income (FVTOCI):

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Equity shares, Quoted - Local	**88,129,181**	100,166,391
Equity shares, Quoted - GCC countries	**6,967,137**	7,145,882
Total – Exhibit A	**95,096,318**	107,312,273

Movement details of investment in shares as follows:	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Balance at beginning of the period/year	**107,312,273**	173,974,245
Purchase during the period/year	**-**	31,591,723
Disposal during the period/year	**-**	(110,084,148)
Change in fair value	**(12,215,955)**	11,830,453
Balance at end the period/year	**95,096,318**	107,312,273

b) Investments at fair value through profit and loss (FVTPL):

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Equity shares, Quoted - Local	**18,983,280**	20,715,802
Equity shares, Quoted - GCC countries	**10,788,785**	10,788,786
Total – Exhibit A	**29,772,065**	31,504,588

Movement details of investment in shares as follows:	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Balance at beginning of the period/year	**31,504,588**	41,951,275
Purchase during the period/year	**-**	39,874,675
Disposal during the period/year	**-**	(44,332,692)
Change in fair value	**(1,732,523)**	(5,988,670)
Balance at end the period/year	**29,772,065**	31,504,588

7. INVENTORIES:

This item comprises of the following:

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Finished goods	**15,498,374**	14,293,885
Raw materials	**5,260,572**	7,615,827
Work in progress	**41,713,961**	47,946,314
Bags, fuel and lubircants	**19,389,285**	7,244,347
Spare parts	**35,610,302**	32,694,581
Total	**117,472,494**	109,794,954
Allowance for slow-moving inventory	**(31,342,762)**	(31,342,762)
Goods in transist	**14,282**	14,282
Net - Exhibit A	**86,144,014**	78,466,474

8. TRADE AND OTHER RECEIVABLES:

This item comprises of the following:

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Trade accounts receivable	**57,465,690**	47,452,447
Impairment allowances for expected credit losses	**(3,616,295)**	(3,616,295)
Net	**53,849,395**	43,836,152
Prepaid expenses	**1,308,006**	1,547,690
Advance to suppliers	**9,136,693**	1,665,038
Refundable deposits & Other receivables	**6,264,198**	4,632,611
Total – Exhibit A	**70,558,292**	51,681,491

8. TRADE AND OTHER RECEIVABLES (continued...):

Movement details of impairment allowances for credit losses are as follows:

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Balance at the beginning of the period/year	**3,616,295**	2,948,434
Net Increase/(decrease) during the period/year	**-**	667,861
Balance at the end of the period/year	**3,616,295**	3,616,295

The Group measures the impairment allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for the factors that are specific to the customers bank guarantees, and letters of credit provided, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Analysis of trade receivables are set out below:	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Secured against unconditional bank guarantees	**14,519,518**	15,602,758
Secured against letter of credit	**5,793,766**	14,288,383
Open credit	**37,152,406**	17,561,306
Total	**57,465,690**	47,452,447

9. CASH AND CASH EQUIVALENTS:

This item comprises of the following:	**March 31, 2023 (Unaudited) AED**	December 31, 2022 (Audited) AED
Cash on hand	**805,658**	190,095
Checking accounts with bank	**7,160,823**	7,181,166
Portfolio accounts	**3,420,773**	3,377,357
Call deposits	**2,930,248**	3,695,322
Term deposits with maturity less than three months	**-**	7,810,500
Cash and cash equivalents - Exhibit D	**14,317,502**	22,254,440
Term deposits with maturity more than three months	**130,373,750**	124,865,000
Total –Exhibit A	**144,691,252**	147,119,440

10. SHARE CAPITAL:

This item comprises of the following:

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Issued and fully paid 500,157,000 shares of AED 1 each - **Exhibits A & C**	**500,157,000**	500,157,000

11. STATUTORY RESERVE:

In accordance with the U.A.E Federal Law No. (32) of 2021 and the Company's Articles of Association, 10% of the profit for each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of share capital.

The Group adjusts legal reserve at year-end.

12. TRADE AND OTHER PAYABLES:

This item comprises of the following:	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Trade accounts payable	**24,035,511**	29,529,137
Dividend payable	**39,544,582**	39,900,041
Accrued expenses and other payables	**36,539,171**	13,853,708
Advance from customers	**6,365,216**	6,257,479
Total - Exhibit A	**106,484,480**	89,540,365

13. BASIC EARNING PER SHARE/(DEFICIT):

The calculation of basic earning per share is based on the profit attributable to owners of the Group and the weighted average number of ordinary shares outstanding as at March 31, 2023, calculated as follows

	March 31, 2023 (Unaudited) AED	March 31, 2022 (Unaudited) AED
Net profit for the period/year	**620,099**	16,311,053
Weighted average number of shares outstanding	**500,157,000**	500,157,000
Basic and diluted earnings per share (AED)	**0.001**	0.033

The Group does not have any potentially dilutive shares at March 31, 2023 and March 31, 2022, hence the basis and dilutive earnings per share is the same.

14. DIVIDENDS AND BOARD OF DIRECTORS' REMUNERATION:

At the annual general meeting held on April 11, 2023, the Shareholders approved no dividend distribution in respect for the year ended December 31, 2022. They have also approved the board of Directors' remuneration for an amount of AED 360,000.

At the Annual General Assembly Meeting held on March 31, 2022, the shareholders approved a cash dividend of 10% amounting to AED 50,015,700 in respect of the year ended December 31, 2021. They have also approved the board of director's remuneration of AED 2,850,000.

15. RELATED PARTY TRANSACTIONS:

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.

Balances and material transactions with related parties as follows:

	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Trade accounts receivable:		
Ultratech Cement Limited - India	**19,767,919**	4,086,620
(Parent of significant shareholder w.e.f. date of change in control i.e. June 23, 2022)		

Transactions with related party as follows:	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Sales (Including freight):		
Ultratech Cement Limited - India	**19,059,176**	-
(Parent of significant shareholder w.e.f. date of change in control i.e. June 23, 2022)		

Key Management Personnel Compensation:	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Short-term benefits	**511,866**	515,996

16. COMMITMENTS AND CONTINGENT LIABILITIES:

This item comprises of the following:	March 31, 2023 (Unaudited) AED	December 31, 2022 (Audited) AED
Letter of guarantees	**2,755,024**	2,755,024

17. FAIR VALUE MEASUREMENT:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirements to materiality curtail the scale of its operations or to undertake a transactions on adverse terms.

a) Fair value of financial instruments at amortized cost.
The management considers that the carrying amount of financial asset and financial liabilities recognized at amortized cost in the condensed interim consolidated financial information approximate their fair values.

b) Valuation techniques and assumptions applied for the purpose of measuring fair value.
The fair values of financial assets and financial liabilities are determined using similar valuations techniques and assumptions as used in the audited annual consolidated financial statement for the year ended December 31, 2022.

c) Fair value of the Group's financial asset that are measured at fair value on recurring basis.
Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table provides an analysis of financial and non-financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on degree to which the fair value is observable.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities -Level 1.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (that is derived from prices) – Level 2.
- Inputs for the assets or liability that are not based on observable market data (that is unobservable inputs) – Level 3.

March 31, 2023 (Unaudited)	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
FVTOCI				
Quoted equities	**95,096,318**	-	-	**95,096,318**
FVTPL				
Quoted equities	**29,772,065**	-	-	**29,772,065**
	124,868,383	-	-	**124,868,383**

December 31, 2022 (Audited)	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
FVTOCI				
Quoted equities	107,312,273	-	-	107,312,273
FVTPL				
Quoted equities	31,504,588	-	-	31,504,588
	138,816,861	-	-	**138,816,861**

18. SEGEMENT INFORMATION:

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 in marketable equity securities, deposit with bank.

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. Segment performance is evaluated based on net profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

	Three- month period ended March 31, 2023			Three- month period ended March 31, 2022		
	Manufacturing	**Investments**	**Total**	**Manufacturing**	**Investments**	**Total**
Segement Revenue	66,660,298	-	66,660,298	64,107,185	-	64,107,185
Segement result	486,551	133,548	620,099	4,096,990	12,214,063	16,311,053
Depreciation	8,151,875	-	8,151,875	8,426,084	-	8,426,084
Finance cost	-	-	-	289,017	-	289,017

	As on March 31, 2023			As on December 31, 2022		
	Manufacturing	**Investments**	**Total**	**Manufacturing**	**Investments**	**Total**
Segement Asset	631,773,402	255,242,133	887,015,535	610,688,852	271,492,361	882,181,213
Segement Liabilities	116,456,067	-	116,456,067	100,025,889	-	100,025,889

19. GENERAL:

a) The figures in the condensed interim financial statements are rounded to the nearest Dirham of United Arab Emirates.

b) Prior year's comparative figures have been reclassified wherever necessary for the purpose of comparison.

c) The interim finacial statements are for the period of 3 months, compared to the period of 12 months therefore comprability cannot be accurate.