ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

REVIEW REPORT AND CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD FROM 1 JANUARY 2024 TO 31 MARCH 2024

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

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BOARD OF DIRECTORS REPORT

For The Period Ended 31, March 2024

Asalam Alikom,

We are presenting our Financial Report for the Period ended 31 March , 2024 for our Group of Companies, Abu Dhabi National Co. for Building Material -Bildco. PJSC, Bildco Reinforcing Steel Services Est., Bildco Cement Products. LLC and Bildco Aerated Concrete Production LLC.

The company Made revenue AED 17,520,212 during the The First Quarter of the Year 2024 compared to AED 8,239,091 for the Same Period last year.

The Cost of sales AED (13,852,653) compared to AED (8,940,668) for The Same Period last year.

The company made gross profit AED 3,667.559 during the period, compared to gross Loss AED (701,577) dirhams for the same period last year.

The Consolidated Net profit during the First Quarter AED 8,763,770 compared to consolidated Net Loss AED (12,396,629) for the Same Period last year.

Profit per share during the First Quarter AED 0.03 compared to AED (0.04) for the Same Period last year.

Shareholders Equity is AED 29,172,171 as of 31, March, 2024 compared to AED 20,680,212 at the end of the last year.

The Board of Directors has authorized the following gentlemen to sign the financial statements :

1-Mr / Suhail Saeed Abdulla Sulayem Alfalasi	Chairman
2-Mr / Rasheed Ali Rasheed Naser Al Omaira	Deputy Chairman of the Board
3-Mr / Salah Khamis Saleh Ali Aljunaibi	Member of the Board of Directors

BOARD OF DIRECTORS

Date 14 May 2024

شركة ابوظبي الوطنية لمواد البناء - بلدكو
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BILDCO
ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS

Report on Review and Interim Financial Information

The Shareholders'
Abu Dhabi National Company for Building Materials PJSC
Abu Dhabi - United Arab Emirates

Report on the Audit of the Consolidated Interim Financial Statements

Introduction

We have reviewed the accompanying consolidated interim financial information of **Abu Dhabi National Company for Building Materials PJSC** (the "Company") and its subsidiaries (together referred to as the "Group") - Abu Dhabi as at 31 March 2024, which comprise the consolidated interim statement of financial position as at 31 March 2024, and the related consolidated interim statement of comprehensive income, consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the three months period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion of these consolidated interim financial statements 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 group". A review of 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.

Basis for Adverse Conclusion

Material uncertainity related to going cincern

We draw attention to Note 3 in the consolidated interim financial statements, which indicates that the Group incurred accumulated losses of AED 336,982,507 as of 31 March 2024 (31 December 2023 : AED 344,625,270), Group current liabilities exceed its current assets by AED 189,782,549 (31 December 2023 : AED 199,199,018) as of that date. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as going concern.

Report on review of interim financial information to the shareholders of Abu Dhabi National Company for Building Materials PJSC for the period from 1 January 2024 to 31 March 2024 (continued)

Material uncertainity related to going concern (continued)

However, the consolidated interim financial statements are prepared on the assumption that the group is a going concern and will continue in operation for the foreseeable future with the financial support of shareholders. We have not been able to obtain sufficient and corroborative evidences about the Group's management plans and new strategies. Accordingly, we are unable to comment on the appropriateness of the going concern assumption of the consolidated interim financial statements and their consequential impact on the financial results of the group.

Adverse Conclusion

Our review indicates that, because of the significant of matter described in the basis for adverse conclusion paragraph, these interim condensed consolidated interim financial statements does not presents fairly, in all material respects, the financial position of the group as at 31 March 2024, and of its financial performance and its cash flows for three months period then ended in accordance with the International Accounting Standards 34 - International Financial Reports.

For Talal Abu Ghazaleh & Co. International

Salah Al Aried
Licensed Auditor No. 1274

Abu Dhabi

14 May 2024

Talal Abu Ghazaleh & Co. International ABU DHABI

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT A

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	31 March 2024 (Unaudited)	31 December 2023 (Audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**5,168,875**	3,513,390
Bank term deposit	21	**632,034**	632,034
Trade and other receivables	6	**13,641,887**	14,264,727
Other asset	7	**1,026,663**	1,062,601
Inventories	8	**7,037,505**	5,526,560
Investments at fair value through profit or loss (FVTPL)	9 (a)	**79,772,090**	72,374,201
Total current assets		**107,279,054**	97,373,513
NON-CURRENT ASSETS			
Investments properties	10	**29,000,000**	29,000,000
Right-of-use assets	11	**25,597,357**	25,848,048
Intangiable asset	12	**405,097**	----
Property, plant and equipment	13	**201,586,009**	202,456,946
Total non-current assets		**256,588,463**	257,304,994
TOTAL ASSETS		**363,867,517**	354,678,507

These consolidated interim financial statements were approved for issue by the Board of Directors on 14 May 2024 and signed on their behalf by:

Mr. Suhail Saeed Abdullah Sulayem Al Falasi
Chairman

Dr. Salah Khamis Saleh Aljunaibi
Chief Executive Officer

Mr. Rasheed Ali Rasheed Naser Al Omaira
Vice Chairman

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

CONT. EXHIBIT A

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	31 March 2024 (Unaudited)	31 December 2023 (Audited)
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Bank overdraft	21	**26,136,005**	26,136,005
Borrowings	14	**179,745,223**	179,745,223
Trade and other payables	15	**90,773,012**	90,303,241
Lease liabilities	16	**407,363**	388,062
Total current liabilities		**297,061,603**	296,572,531
NON-CURRENT LIABILITIES			
Lease liabilities	16	**27,142,802**	27,224,796
End of service benefits obligation	17	**1,969,721**	1,951,559
Total non-current liabilities		**29,112,523**	29,176,355
Total liabilities		**326,174,126**	325,748,886
EQUITY			
Share capital	18	**300,000,000**	300,000,000
Statutory reserve		**44,273,510**	43,424,314
Capital reserve		**15,398,843**	15,398,843
Accumulated (losses)		**(336,982,507)**	(344,625,270)
Revaluation reserve for property and equipment		**6,482,325**	6,482,325
Net equity attributable to the shareholders of the Company		**29,172,171**	20,680,212
Non controlling interest		**8,521,220**	8,249,409
Net equity - Exhibit C		**37,693,391**	28,929,621
TOTAL LIABILITIES AND EQUITY		**363,867,517**	354,678,507

These consolidated interim financial statements were approved for issue by the Board of Directors on 14 May 2024 and signed on their behalf by:

Mr. Suhail Saeed Abdullah Sulayem Al Falasi
Chairman

Dr. Salah Khamis Saleh Aljunaibi
Chief Executive Officer

Mr. Rasheed Ali Rasheed Naser Al Omaira
Vice Chairman

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT B

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY 2024 TO 31 MARCH 2024

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	Three months ended 31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Revenues		**17,520,212**	8,239,091
Direct costs		**(13,852,653)**	(8,940,668)
Gross profit / (loss)		**3,667,559**	(701,577)
General and administrative expenses	19	**(2,725,485)**	(2,794,891)
Directors remunerations		**(37,500)**	(37,500)
Finance cost		**(713,265)**	(663,796)
Unrealized profit / (loss) on revaluation of investments in financial assets (FVTPL)	9 (b)	**7,397,889**	(8,536,708)
Other income	20	**1,174,572**	337,843
Profit / (loss) for the period - Exhibit C & D		**8,763,770**	(12,396,629)
Total comprehensive income / (loss) for the period - Exhibit C		**8,763,770**	(12,396,629)
Income / (loss) for the period attributable to:			
Shareholders of the group		**8,491,959**	(12,445,613)
Non controlling interest		**271,811**	48,984
Total		**8,763,770**	(12,396,629)
Basic profit / (loss) per share		**0.03**	(0.04)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT C

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY 2024 TO 31 MARCH 2024
(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	Share Capital	Statutory reserve	Capital reserve	Accumulated (losses)	Revaluation reserve for property, plant and equipment	Net	Non controlling interest	Total
ıreholders' equity at 1 January 2023 (Audited)	300,000,000	43,424,314	15,398,843	(313,047,262)	----	45,775,895	8,135,428	53,911,323
:al comprehensive (loss) for the period - Exhibit B	----	----	----	(12,445,613)	----	(12,445,613)	48,984	(12,396,629)
ıreholders' equity at 31 March 2023 (Unaudited)	300,000,000	43,424,314	15,398,843	(325,492,875)	----	33,330,282	8,184,412	41,514,694
ıreholders' equity at 1 January 2024 - Exhibit A (Audited)	300,000,000	43,424,314	15,398,843	(344,625,270)	6,482,325	20,680,212	8,249,409	28,929,621
:al comprehensive income for the period - Exhibit B	----	----	----	**8,491,959**	----	**8,491,959**	**271,811**	**8,763,770**
propriation to statutory reserve	----	**849,196**	----	**(849,196)**	----	----	----	----
areholders' equity at 31 March 2024 - :hibit A (Unaudited)	**300,000,000**	**44,273,510**	**15,398,843**	**(336,982,507)**	**6,482,325**	**29,172,171**	**8,521,220**	**37,693,391**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOILDATED INTERIM FINANCIAL STATEMENTS

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT D

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY 2024 TO 31 MARCH 2024

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	Three months ended 31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES :			
Profit / (loss) for the period - Exhibit B		**8,491,959**	(12,445,613)
Profit for non-controlling interest		**271,811**	48,984
Adjustments for			
Amortization of intangible assets	12	**10,376**	----
Depreciation on property, plant and equipment	13	**1,216,983**	1,283,850
Depreciation of right-of-use assets	11	**250,691**	250,691
Unrealized loss in fair value through profit or loss	9	**(7,397,889)**	8,536,708
End of service benefits obligation	17	**157,269**	69,331
Finance cost		**713,265**	663,796
Operating profit / (loss) before working capital changes		**3,714,465**	(1,592,253)
Changes in the components of working capital :			
Decrease in trade and other receivables	6	**453,675**	396,870
Decrease / (increase) in other assets	7	**35,938**	(103,650)
(Increase) / decrease in inventories	8	**(1,510,945)**	1,113,826
Increase in trade and other payables	15	**541,391**	727,612
Cash generated from operations		**3,234,524**	542,405
End of service benefits obligation paid	17	**(139,107)**	(51,637)
Net cash flows from operating activities		**3,095,417**	490,768
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	13	**(346,046)**	----
Purchase of intangible asset	12	**(415,473)**	----
Net cash flows (used in) investing activities		**(761,519)**	----

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS PJSC
ABU DHABI - UNITED ARAB EMIRATES

CONT.EXHIBIT D

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY 2024 TO 31 MARCH 2024

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

		Three months ended	
		31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Decrease / (increase) in related parties - receivables	23	**169,165**	(797)
(Decrease) in related party - payable	23	**(71,620)**	(56,726)
Lease liabilities paid	16	**(62,693)**	(196,385)
Finance cost		**(713,265)**	(663,796)
Net cash flows (used in) financing activities		**(678,413)**	(917,704)
NET CASH FLOWS GENERATED / (USED) DURING THE PERIOD		**1,655,485**	(426,936)
Cash and cash equivalents at beginning of the period		**3,513,390**	3,128,005
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5	**5,168,875**	2,701,069

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

STATUS AND ACTIVITIES

Abu Dhabi National Company for Building Materials PJSC ("BILDCO" or the "Company") was incorporated in Abu Dhabi by Amiri Decree No. 5 for th year 1974 and registered with Department of Economic Development - Abu Dhabi with a trade license number 1002141 on 18 May 1980. The Company wa listed for trading on Abu Dhabi Securities Exchange (ADX) on 15 November 2000 following the Company's Initial Public Offering ("IPO"). The registere address of Company is at Abu Dhabi Building Material Company Building , Salam Street, Abu Dhabi. The Group is also operating through followin subsidiaries registered in other emirates.

Legal Name	License Number	Date of Incorporation	Location	Activities
i) Abu Dhabi National Company for Building Materials	1005372	19 September 2006	Al Ain	Commercial agencies, Companies Representation and General trading.
i) Abu Dhabi National Company for Building Materials - Bildco - Branch	546792	6 July 2003	Dubai	General trading and Oilfield and natural gas equipment and spare parts trading.
i) Bildco Aerated Concrete Products L.L.C	608886	5 November 2008	Dubai	Bricks manufacturing.

) The Company holds investment in subsidiaries (referred together with Company as "Group"). The Activities of subsidiaries as listed below and consolidate financial information include the performance and financial position as at a 31 March 2023 as follows:

Trade Name	Legal status	License Number	Date of Incorporation	Percentage of ownership	Location	Activities
i) Bildco Cement Products L.L.C	Limited Liability Company	1000463	14 June 1997	80%	Abu Dhabi	Construction precast concrete, cemen or artificial stones articles manufacturing.
i) Bildco Reinforcing Steel Services	Local establishment	1000606	31 March 1998	100%	Abu Dhabi	Steel bars preparation.
i) Bildco Steel Industries	Local establishment	1001347	5 August 2006	100%	Abu Dhabi	Hot-Rolled steel bars and rc manufacturing.

2. NEW AND REVISED STANDARDS, INTERPRETATION AND AMENDMENTS

The accounting policies adopted in the preparation of consolidated interim financial statements are consistent with those applied by the Company in the interpretation of the consolidated interim financial statements for the period ended 31 March 2024 except for the adoption of the following new standards, interpretation and amendments.

2.1 Standards, interpretations issued and effective for the current year

The Company has adopted all the applicable new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the year beginning on 1 January 2024.

- ***Lease Liability in Sale and Leaseback***

Lease liability in a sale and leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.

- ***Non-current Liabilities with Covenants***

Non-current liabilities with covenants amends IAS 1 Presentation of Interim Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders concerns about the classification of such a liability as current or non-current.

These amendments had no material impact on the consolidated interim financial statements of the Company.

2.2 Standards, interpretations and amendments in issue not yet effective and not early adopted:

A number of new standards, amendments to standards are effective from 1 January 2024, but they do not have a material effect on the Company's interim financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory from 31 March 2024 reporting period and have not been early adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. GOING CONCERN

The Group incurred accumulated losses of AED 336,133,311 as of 31 March 2024 (31 December 2023 : AED 344,625,270), Group current liabilities exceed its current assets by AED 189,782,548 (31 December 2023 : AED 199,199,018) as of that date. The consolidated interim financial statements are prepared on the assumption that the Group is a going concern and will continue in operation for the foreseeable future with the financial support of shareholders.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Group is consistent with those applied in prior periods except for the new and amended IFRS's effective as of 1 January 2024 as detailed in Note 2 which did not have material impact on the consolidated interim financial statements of the Group. The significant accounting policies adopted by the Group in the preparation of the consolidated interim financial statements are as follows:-

a. *Consolidated Financial Statements Preparation Framework*

The consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the relevant Article of the Group and the UAE Federal Law No. (32) of 2021.

b. *Basis of preparation*

- The consolidated interim financial statements for the public joint stock Group are prepared under the historical cost convention, except for the measurement / revaluation of certain assets and financial instruments at a basis other than the historical cost. The significant accounting policies are set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services, while 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c. *Basis of consolidation*

The consolidated interim financial statements incorporate the financial statements of the parent Group and its subsidiaries mentioned Note 1. Control is achieved when the parent

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee.
- has the ability to use its power to affect its returns.

The parent Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the parent Group obtains control over the subsidiary and ceases when the parent Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated interim statement of comprehensive income and other comprehensive income from the date the parent Group gains control until the date when it ceases to control the subsidiary. All intra Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on

d. *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are either financial assets or financial liabilities.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

e. *Financial assets*

Any asset that is: cash, an equity instrument of another entity, or a debt instrument of another entity (a contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity, or a contract that will or may be settled in the entity's own equity instruments).

The Group does not have debt instruments that qualify for measurement at fair value through other comprehensive income nor at fair value through profit or loss. Moreover the Group's financial assets does not have any equity instrument financial assets.

Initial measurement

Financial assets are recognized when the Group becomes party to the contractual provisions of the instruments. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

i) *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, cash at banks-current accounts and other short-term highly liquid investments with original maturities of three months or less.

ii) *Trade and other receivables*

Trade and other receivables do not bear interest. Trade receivables are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in profit or loss.

Impairment

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortized cost and FVOCI. For trade receivables, the company measures the loss allowance at an amount equal to the lifetime expected credit losses.

Derecognition

A financial asset is derecognized where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognized in other comprehensive income for debt instruments is recognized in profit or loss.

iii) *Financial assets at fair value through profit or loss (FVTPL)*

A financial asset is classified as fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Directly attributable transaction costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognized in profit or loss.

f. *Value Added Tax (VAT)*

Value added tax is imposed on import and supply of goods or services, including deemed supply, at each stage of production and distribution. Tax collected or due on supply of services are credited to output tax account and tax paid on purchases and business expenses and are available for input tax credit are debited to input tax account. At the end of each tax period, value added tax payable / receivable is calculated in accordance with U.A.E. Tax Laws and are carried in the consolidated interim statement of financial position.

g. *Related parties*

Related parties are considered to be related because they have the ability to exercise control over the Group or to exercise significant influence or joint control over the Group's financial and operating decisions. Further, parties are considered related to the Group when the Group has the ability to exercise control, significant influence, or joint control over the financial and operating decisions of those parties. Transactions with related parties, normally, comprise of transfer of resources, services, or obligations between the parties. At the consolidated interim statement of financial position date, the related parties receivables and payable are stated at the net realizable value.

h. *Inventories*

Raw materials inventories are stated at the lower of cost or net realizable value. Inventory costs include:

a) costs of purchase (including transport, and handling) net of trade discounts received, and

b) other costs incurred in bringing the inventories to their present location and condition.

Year-end inventory cost of raw materials is reached at using weighted average cost method. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

- *Finished goods*
  Finished goods are stated at raw materials and consumables cost used in production, plus cost of conversion (including fixed and variable manufacturing overheads which are estimated by management).

- *Raw materials*
  Raw materials are stated at costs of purchase (including taxes, transport and handling) net of trade discounts received, plus other costs incurred in bringing the inventories to their present location and condition.

i. *Investments properties*
Investment property (land or building or part of a building or both) is property: (a) held by the Group to earn rentals, (b) for capital appreciation rather than for use in production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business, and/or for undetermined use. Investment property is measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in the consolidated interim statement of comprehensive income in the year in which they arise.

j. *Right of use asset*
The Group assess whether a contract is or contains a lease, at inception of the contract. The Group recognize a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets for which lease payments are recognized as an expense in the consolidated interim statement of comprehensive income on straight line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by Group using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate. The lease liability is presented as a separate line item in the consolidated interim statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using effective interest method, by reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised in-substance fixed lease payments.

The right of use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and any accumulated impairment. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset which ever is shorter.

The carrying values of right-of-use assets are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with Note 4 (m).

Whenever the Group incurs an obligation for costs to dismantle and remove the leased assets or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured in accordance with Note 4 (p).

k. *Intangible assets*

Intangible assets are identifiable non-monitory assets without physical substance.

Intangible assets acquired separately are reported at cost less accumulated amortization and accumulated impairment losses. Acquisition costs comprise the purchase price and other costs directly attributable to preparing the assets for their intended use. Intangible assets acquired through business combination is recognized at its cost, being fair value at the acquisition date, separately from goodwill.

Amortization is charged, to consolidated statement of comprehensive income, on straight line basis over the following useful lives of intangible assets:

Category	Useful life
Software	10 years

The estimated useful life and amortization method are reviewed at each financial year end, with effect of any changes in estimate being accounted for on a prospective basis. The carrying values of intangible assets are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairment loss is calculated as explained in Note 4 (m).

1. *Property, plant and equipment*

Property, plant and equipment held for use in the 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 assets to the location and condition necessary for them to be capable of operating in the manner intended by management.

After initial recognition, the property, plant and equipment are carried in the consolidated interim statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment. The depreciation charge for each period is recognized in the consolidated interim statement of comprehensive income. 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. The useful lives of the assets are estimated as follows:

Category	Useful life
Building and caravans	10 - 45 years
Furniture, fixtures, decoration and hardwares	4 years
Machinery and equipment	4 - 45 years
Tools and equipment	4 years
Motor vehicles	3 - 4 years
Molds	2 years

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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with Note 4 (m).

On the subsequent derecognition (sale or retirement) of the property, plant 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 consolidated interim statement of comprehensive

m. *Impairment of tangible assets*

At each consolidated interim statement of financial position date, the public joint stock Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the amount for which that asset could be exchanged between knowledgeable, willing parties in arm's length transaction. The value in use is the present value of the future cash flows expected to be derived from the asset. An impairment loss is recognized immediately in the of consolidated interim statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior years. A reversal of an impairment loss is recognized immediately in the consolidated interim statement of comprehensive income unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

n. *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

o. *Borrowing costs*

Finance cost comprises interest expense on bank borrowings, profit expense on bank financing and bank charges. All finance costs are recognized in profit or loss using the effective interest rate method. However, borrowing costs which are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset. A qualifying asset is an asset which necessarily takes a substantial year of time to get ready for its intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete.

p. *Provisions*

Provisions are present obligations (legal or constructive) resulted from past events, the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the consolidated interim statement of financial position date, that is, the amount that the Group would rationally pay to settle the obligation at the consolidated interim statement of financial position date or to transfer it to a third party.

Provisions reviewed and adjusted at each consolidated interim statement of financial position date. If outflows, to settle the provisions, are no longer probable, reverse of the provision is recorded as income. Provisions are only used for the purpose for which they were originally recognized.

q. *End of service benefits obligation*

- Provision for employees' end-of-service benefits is calculated in accordance with the Federal Labour Laws of United Arab Emirates. The Group measures its obligations under employees' benefits as described in IAS 19 using actuarial valuation method unless the differences between actuarial valuation and actual liability and service cost is immaterial.

- Pension funds for UAE nationals has been computed as per rates approved by the concerned government department.

r. *Statutory reserve*

In accordance with the Article of Association of the Group and the requirements of the U.A.E. Commercial Companies Law, an amount equal to 10% of the annual net profit should be transferred to statutory reserve account till such reserve equal 50% of the Group's paid up capital. This reserve is not available for distribution.

s. *Capital reserve*

The Group articles provide for setting aside 10 % of the Group net profit to create a capital reserve. The ordinary general assembly may stop deduction based on suggestion of Board of Directors or if the capital reserve reaches twice of the Group paid up capital. This reserve may be used to the purpose decided by the Board of Directors. The Board has decided not to transfer any amount to capital reserves during the year.

t. *Revenue recognition*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Group satisfies a performance obligation by transferring the promised goods to the customer, which is when the customer obtains control of the goods. The company's performance obligations are satisfied at a point in time. The amount of revenue recognized is the amount allocated to the satisfied performance obligations.

i) *Sale of goods*

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any).

- *Variable consideration*

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

- *Rights of return*

period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognized for the right to recover products from a customer.

- *Volume rebates*

The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognizes a refund liability for the expected future rebates.

ii) *Rental income*

Rental income from property, plant and equipment is recognized in the statement of comprehensive income on a straight line basis over the term of the lease.

iii) *Interest income*

Interest revenue is recognized as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

iv) *Dividend income*

Dividend income is recognized in profit or loss on the date that the Group's right to receive the payment is established.

u. *Contingent liabilities*

Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably. Contingent liabilities are not recognized in the consolidated financial statements.

v. *Critical accounting judgments and key sources of estimation uncertainty*

The preparation of the Group's consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant impact on the amounts recognized in the consolidated interim financial statements.

i. *Impairment of slow moving inventories*

Provisions for slow moving inventories are based on assumptions about risk of decrease in selling price due to changes in customer preference, availability of new technology and/or competition from substitute goods, etc., in an arms length transaction between a knowledgeable buyer and a seller. The Group uses judgment in making these assumptions and selecting the inputs to the calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

ii. *Impairment of non-current assets*

IFRS requires management to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of growth in earnings, timing and quantum of future, long term growth rates and the selection of discounts.

iii *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.

iv. *Impairment of financial assets*

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

5. CASH AND CASH EQUIVALENTS

This item consists of the following:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Cash in hand	**668,644**	587,203
Cash at banks - current accounts	**4,500,231**	2,926,187
Total - Exhibit A & D	**5,168,875**	3,513,390

6. TRADE AND OTHER RECEIVABLES

a) This item consists of the following:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Trade receivables	**23,202,930**	24,041,562
Claim receivables	**75,132,226**	75,132,226
Impairment of trade and claim receivables - Note 6 (c)	**(92,050,256)**	(92,050,256)
Net trade and claim receivables - Note 6 (b)	**6,284,900**	7,123,532
Advance payment to suppliers	**3,385,530**	2,408,660
Dividend receivables	**1,270,641**	266,609
Related parties -receivables - Note 23 (a)	**274,502**	443,667
Post dated cheques received - Note 6 (d)	**1,003,215**	1,456,462
Margin on letters of guarantee	**195,000**	1,195,000
Refundable deposits	**715,353**	715,353
Staff advances	**187,723**	206,743
Value added tax - receivables (net)	**325,023**	448,701
Net - Exhibit A	**13,641,887**	14,264,727

) The aging for the trade and claim receivables is as the following:

	31 March 2024 (Unaudited)				31 December 2023 (Audited)			
	Trade receivables	**Claim receivables**	**Expected credit loss**	**Net trade and claim receivables**	Trade receivables	Claim receivables	Expected credit loss	Net trade and claim receivable
1 - 90 days	**1,818,211**	----	----	**1,818,211**	3,687,740	----	----	3,687,740
91 - 180 days	**1,678,272**	----	----	**1,678,272**	1,519,528	----	----	1,519,528
181 - 365 days	**1,277,568**	----	----	**1,277,568**	132,861	----	----	132,861
More than 365 days	**18,428,879**	**75,132,226**	**(92,050,256)**	**1,510,849**	18,701,433	75,132,226	(92,050,256)	1,783,403
Total - Note 6 (a)	**23,202,930**	**75,132,226**	**(92,050,256)**	**6,284,900**	24,041,562	75,132,226	(92,050,256)	7,123,532

) *Movement of impairment of trade and claim receivables:*

This item consists of the follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
As at 1 January	**(92,050,256)**	(92,050,256)
As at 31 March / 31 December - Note 6 (a)	**(92,050,256)**	(92,050,256)

) Post dated cheques received amounting to AED 1,003,215 (Note 6 (a)) and are mature during the period from April 2024 to July 2024.

7. OTHER ASSET

This item consists of the following:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Prepaid expenses	**1,026,663**	1,062,601
Total - Exhibit A	**1,026,663**	1,062,601

8. INVENTORIES

a) This item consists of the following :

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Steel	**1,583,014**	1,470,278
Raw materials	**1,719,566**	1,691,305
Finished goods	**4,480,468**	2,157,041
Consumables	**842,758**	525,107
Spare parts	**2,518,839**	2,467,771
Other building materials	**----**	1,322,198
Total	**11,144,645**	9,633,700
Impairment slow moving inventories - Note 8 (b)	**(4,107,140)**	(4,107,140)
Net - Exhibit A	**7,037,505**	5,526,560

b) *Movement of impairment of slow moving inventories:*

This item consists of the following :

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
As at 1 January	**(4,107,140)**	(3,744,439)
Charge for the period / year - Exhibit B	**----**	(362,701)
As at 31 March / 31 December - Note 8 (a)	**(4,107,140)**	(4,107,140)

9. INVESTMENT SECURITIES

a) i) This item consists of the following:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Quoted securities (local)	**72,007,832**	64,609,943
Unquoted securities (local)	**8,781,758**	8,781,758
Total	**80,789,590**	73,391,701
Impairment for investments in financial assets (FVTPL)	**(1,017,500)**	(1,017,500)
Total - Exhibit A	**79,772,090**	72,374,201

ii) The Abu Dhabi Court for Urgent Matters issued a court order to freeze the Group's securities amounting to AED 40,727,409 from the above mentioned investment in securities for the period ended 31 March 2024 (31 December 2023: AED 31,485,420) against a suit filed by First Abu Dhabi Note (24).

b) Unquoted securities amounting to AED 8,781,758 are under the personal name of Mr. Ali Rasheed Naser Alomaira, (Managing Director) which are beneficially held and controlled by the Group.

c) Changes in investment in financial assets for the current period / year as follows:

i) *INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS*

Changes in investment designated at fair value through income statement (FVTPL) for the period / year as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Fair value as at 1 January	**72,374,201**	86,509,190
Disposal	**----**	(5,263,610)
Impairment for investments in financial assets	**----**	(1,017,500)
Unrealized profit / (loss) in fair value through profit or loss - Exhibit B	**7,397,889**	(7,853,879)
Fair value as at 31 March / 31 December - Note 9 (a)	**79,772,090**	72,374,201

d) This item represents investments in listed securities in the market which are distributed as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Banks sector	**11,692,978**	12,195,817
Insurance sector	**40,727,409**	31,485,420
Real estate	**4,870,244**	5,497,988
Others	**23,498,959**	24,212,476
Total	**80,789,590**	73,391,701
Impairment for investments in financial assets (FVTPL)	**(1,017,500)**	(1,017,500)
Total - Note 9 (a)	**79,772,090**	72,374,201

10. INVESTMENT PROPERTIES

This item consists of the following :	Buildings	Total
COST		
At 1 January 2023 (Audited)	29,000,000	29,000,000
At 31December 2023 (Audited)	29,000,000	29,000,000
At 31 March 2024 (Unaudited)	**29,000,000**	**29,000,000**
ACCUMULATED DEPRECIATION		
At 1 January 2023 (Audited)	----	----
Charge for the year	----	
At 31 December 2023 (Audited)	----	----
Charge for the year	----	----
At 31 March 2024 (Unaudited)	----	----
NET BOOK VALUE		
At 31 March 2024 - Exhibit A (Unaudited)	**29,000,000**	**29,000,000**
At 31 Decemebr 2023 - Exhibit A (Audited)	29,000,000	29,000,000

11. RIGHT-OF-USE ASSETS

a) The details of the cost, accumulated depreciation and the respective carrying amounts of various categories of right-of-use assets are as follows:

COST	Land
At 1 January 2023	31,493,828
At 31 December 2023 (Audited)	31,493,828
At 31 March 2024 (Unaudited)	**31,493,828**
ACCUMULATED AMORTISATION	
At 1 January 2023	(4,643,018)
Charge for the year - Note 19	(1,002,762)
At 31 December 2023 (Audited)	(5,645,780)
Charge for the period - Note 19	**(250,691)**
At 31 March 2024 (Unaudited)	**(5,896,471)**
NET BOOK VALUE	
At 31 March 2024 - Exhibit A (Unaudited)	**25,597,357**
At 31 Decemebr 2023 - Exhibit A (Audited)	25,848,048

b) During the period, the Group has recognized following amounts related to leases in the consolidated statement of comprehensive income.

	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Depreciation expense on right of use assets	**250,691**	250,691
Interest expense on lease liabilities	**359,897**	360,909
Total cash outflow for leases	**422,590**	424,332

c) Right of use assets mentioned above represents lease lands for a period of 6 and 50 years.

12. INTANGIABLE ASSET

The details of the cost, accumulated amortization and the respective carrying amounts of intangiable asset are as follows:

COST	Software
Additions	415,473
At 31 March 2024 (Unaudited)	**415,473**
ACCUMULATED AMORTISATION	
Charge for the period - Note 19	**(10,376)**
At 31 March 2024 (Unaudited)	**(10,376)**
NET BOOK VALUE	
At 31 March 2024 - Exhibit A (Unaudited)	**405,097**

13. PROPERTY, PLANT AND EQUIPMENT

a) The details of cost, accumulated depreciation and the respective carrying amounts of various categories of property, plant and equipment are as follows:

COST	Building and caravans	Furniture, fixtures, decoration and hardware	Machinery and equipment	Tools and equipment	Motor vehicles	Molds	Capital work in progress	Total
At 1 January 2023	127,435,836	4,949,304	170,834,622	1,430,053	3,445,004	8,557,797	122,524,757	439,177,:
Additions	----	----	----	----	----	181,556	----	181,:
Disposals	----	----	(467,769)	----	----	----	----	(467,'
Revaluation	6,282,327	----	(505,983)	----	199,998	----	----	5,976,:
Elimination on revaluation	(19,267,189)	----	----	----	(589,093)	----	----	(19,856,:
At 31 December 2023 (Audited)	114,450,974	4,949,304	169,860,870	1,430,053	3,055,909	8,739,353	122,524,757	425,011,:
Additions	----	1,550	----	----	----	344,496	----	346,(
At 31 March 2024 (Unaudited)	**114,450,974**	**4,950,854**	**169,860,870**	**1,430,053**	**3,055,909**	**9,083,849**	**122,524,757**	**425,011,:**
ACCUMULATED DEPRECIATION								
At 1 January 2023	(43,253,288)	(4,879,982)	(92,673,911)	(1,365,784)	(3,316,069)	(8,433,709)	(83,624,757)	(237,547,:
Charge for the year	(2,442,242)	(24,410)	(2,356,684)	(27,498)	(45,985)	(241,642)	----	(5,138,'
Related to disposals	----	----	275,405	----	----	----	----	275,'
Related to written off	19,267,189	----	----	----	589,093	----	----	19,856,:
At 31 December 2023 (Audited)	(26,428,341)	(4,904,392)	(94,755,190)	(1,393,282)	(2,772,961)	(8,675,351)	(83,624,757)	(222,554,:
Charge for the period	**(543,817)**	**(4,568)**	**(580,400)**	**(6,485)**	**(16,028)**	**(65,685)**	**----**	**(1,216,**
At 31 March 2024 (Unaudited)	**(26,972,158)**	**(4,908,960)**	**(95,335,590)**	**(1,399,767)**	**(2,788,989)**	**(8,741,036)**	**(83,624,757)**	**(223,771,:**
NET BOOK VALUE								
At 31 March 2024 - Exhibit A (Unaudited)	**87,478,816**	**41,894**	**74,525,280**	**30,286**	**266,920**	**342,813**	**38,900,000**	**201,586,**
At 31 December 2023 - Exhibit A (Audited)	88,022,633	44,912	75,105,680	36,771	282,948	64,002	38,900,000	202,456,'

b) Depreciation of property, plant and equipment was charged in consolidated statement of comprehensive income for the period as follows:

	Three months ended	
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Direct cost	**1,102,041**	1,019,003
General and administrative expenses - Note 19	**114,942**	264,847
Total	**1,216,983**	1,283,850

14. BORROWINGS

a) This item consists of the following :

	31 March 2024 (Unaudited)	31 December 2023 (Unaudited)
Borrowings - current - **Exhibit A**	**179,745,223**	179,745,223
Total	**179,745,223**	179,745,223

b) The details of movement in the carrying amount of long term borrowings are as follows:

	2023	2022
Balance at 1 January	**179,745,223**	179,745,223
Balance at 31 March / 31 December - Exhibit A & Note 14 (a)	**179,745,223**	179,745,223

c) Loans of AED 334,243,218 were obtained from Several banks at interest rates between 3% and 4.6 % annually plus EIBOR. The balance as of 31 March 2024 was AED 179,745,223 (31 December 2023 : AED 179,745,223.

d) Loans installments which are due for less than twelve months are classified as current liabilities, and the remaining installments which are due after that date are classified as non - current liabilities.

e) The Group has defaulted in the repayment of the term loans and bank borrowings obtained from various banks. The details of the legal proceedings and settlements in relation to these facilities have been disclosed under Note 24 of these consolidated interim financial statements.

15. TRADE AND OTHER PAYABLES

a) This item consists of the following :

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Trade payables	**19,649,999**	21,418,583
Securities payable against financial market	**22,397,022**	22,043,654
Post dated cheques issued - Note 15 (b)	**14,611,066**	12,596,171
Related party - payable - Note 23 (b)	**1,832**	73,452
Accrued expenses	**27,199,566**	27,172,666
Accrued salary	**134,799**	275,000
Advance payment received from customers	**3,243,248**	3,137,950
Provision for leave salaries and air tickets	**878,791**	924,173
Deposit from others	**66,720**	66,720
Dividend payables	**2,589,969**	2,589,969
Others	**----**	4,903
Total - Exhibit A	**90,773,012**	90,303,241

b) Post dated cheques issued amounting to AED 14,611,066 (Note 15 (a)) and are mature during the period from April 2024 to December 2024.

16. LEASE LIABILITIES

a) This item consists of the following:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Lease liabilities - current - **Exhibit A**	**407,363**	388,062
Lease liabilities - non-current - **Exhibit A**	**27,142,802**	27,224,796
Total - Note 16 (b & c)	**27,550,165**	27,612,858

b) The details of movement in lease liabilities during the period / year as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Balance at 1 January	**27,612,858**	28,132,317
Finance cost on lease liabilities	**359,897**	1,440,602
Repayments	**(422,590)**	(1,960,061)
Balance at 31 March / 31 December - Note 16 (a)	**27,550,165**	27,612,858

c) Maturity analysis of lease liabilities are as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Within a year	**1,537,767**	1,537,767
Year 2 - 5 years	**5,881,068**	5,881,068
Year 5 - 10 years	**6,338,835**	6,338,835
More than 10 years	**31,694,175**	31,694,175
Less: unearned interest	**(17,901,680)**	(17,838,987)
Net lease liability - Note 16 (a)	**27,550,165**	27,612,858

d) Lease liabilities that are due within twelve months from the financial position date are classified as current lease liability and the remaining balances are classified as non-current lease liability.

17. END OF SERVICE BENEFIT OBLIGATION

The details of movement in lease liabilities during the period / year as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Balance at 1 January	**1,951,559**	1,832,981
Current service cost	**157,269**	215,177
Settlements	**(139,107)**	(96,599)
Balance at 31 March / 31 December - Exhibit A	**1,969,721**	1,951,559

18. SHARE CAPITAL

As per the Authorized Organization Structure incorporated in Abu Dhabi by Amiri Decree No. 5 for the year 1974 the capital amounting to AED 300,000,000 is divided into 300,000,000 shares of AED 1 each.

19. GENERAL AND ADMINISTRATIVE EXPENSES

This item consists of the following:

	Three months ended	
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Salaries and related benefits	**1,436,881**	1,140,760
Rent	**73,700**	90,595
Depreciation on property and equipment - Note 13 (b)	**114,942**	264,847
Depreciation on right-of-use assets - Note 11	**250,691**	250,691
Amortization of intangible asset - Note 12	**10,376**	----
Repairs and maintenance expenses	**224,080**	37,708
Legal, visa and professional expenses	**149,400**	369,916
Government expense	**3,912**	15,091
Utilities expenses	**20,220**	47,716
Communication expenses	**18,592**	15,765
Bank charges	**18,370**	13,050
Insurance expenses	**94,258**	41,358
Miscellaneous expenses	**310,063**	507,394
Total - Exhibit B	**2,725,485**	2,794,891

20. OTHER INCOME

This item consists of the following :

	Three months ended	
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Rental income	**63,750**	66,000
Dividend income from investments in financial assets (FVTPL)	**1,075,492**	----
Gain on transportation (net)	**1,050**	237,124
Others	**34,280**	34,719
Total - Exhibit B	**1,174,572**	337,843

21. BANK FACILITIES

Fund and non-fund bank facilities are granted against the following securities :

- Hypothecation over machineries amounting AED 33,000,000/- in favor of bank.
- Assignment of insurance policy over factory located on plot # 41003, Dubai Industrial City Dubai amounting AED 40,000,000/- assigned to bank.
- Cash margin / fixed deposit under lien as specified under Schedule " A" supported by lien over deposit agreement.
- Post dated cheques drawn on any other bank covering the loan installments.

22. RISK MANAGEMENT

The financial risk management function is regularly performed by the management of the Group including investment decisions and monitoring and managing the financial risks relating to the Group's business and operations. These risks includes capital risk, credit risk, foreign currency risk, market price risk, interest rate risk and liquidity risk.

The Group seeks to minimize the effects of these risks by diversifying the sources of its capital. It maintains timely reports about its risk management function and monitors risks and policies implemented to mitigate risk exposures.

a) *Capital risk*

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the shareholders through optimization of debt and equity balance.

The capital structure of the Group consists of debt, which includes financing from banks as disclosed in note 13 and 20 and equity comprising issued capital, and reserves as disclosed in the consolidated statement of changes in equity - Exhibit C.

b) *Credit risk*

Credit risk refers to the risk that a debtor will default on its contractual obligations resulting in financial loss to the Group. The Group maintains a credit policy that states dealing with only creditworthy parties as a means of mitigating the risk of financial loss from defaults. The Group monitors, regularly, the credit ratings of its major debtors and the volume of transactions with those debtors during the year using publicly available financial information and its own trading records. Ongoing credit evaluation is performed on the financial condition of debtors. The carrying amount of financial assets recorded in the consolidated interim financial statements represents the Group's maximum exposure to credit risk. Credit risk related to contract receivables are mentioned Note 6 (b).

The credit risk on liquid funds is insignificant since these funds are deposited with financial institutions that maintain a strong capital base and appropriate credit standings inside the U.A.E.

c) *Foreign currency risk*

The Group undertakes certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year. The Group maintains policies and procedures to manage the exchange rate risk exposure.

d) *Market price risk*

Market prices risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issue or factors affecting all instruments traded in the market.

Assets that expose the Group to market price risk is investment properties and investments at fair value through profit or loss (FVTPL) and investment properties.

e) *Interest rate risk*

The Group is exposed to interest rate risk resultant from its banking facilities and bank term deposit and borrowings. Management try (to the extent possible) to manage interest rate risk through maintaining an appropriate mix between fixed and floating interest rates balances at the start of the financial year.

f) *Liquidity risk*

Responsibility of liquidity risk management rests with the Management of the Group, they adopt an appropriate liquidity risk management framework. The Group maintains adequate reserves and the Management monitors its cash flows and match them with maturity dates of financial assets and liabilities.

The following table shows the maturity dates of Group's financial assets and liabilities as at 31 March 2024 (Unaudited).

	Less than 1 year	More than 1 year	Total
Financial assets			
Cash and cash equivalents	**5,168,875**	----	**5,168,875**
Bank term deposit	**632,034**	----	**632,034**
Trade and other receivables	**13,641,887**	----	**13,641,887**
Investments designated at fair value through profit and loss	**79,772,090**	----	**79,772,090**
Total	**99,214,886**	----	**99,214,886**

	Less than 1 year	More than 1 year	Total
Financial liabilities			
Bank over draft	**26,136,005**	----	**26,136,005**
Borrowings	**179,745,223**	----	**179,745,223**
Trade and other payables	**90,773,012**	----	**90,773,012**
Lease liabilities	**407,363**	**27,142,802**	**27,550,165**
End of service benefits obligation	**----**	**1,969,721**	**1,969,721**
Total	**297,061,603**	**29,112,523**	**326,174,126**

The following table shows the maturity dates of Group's financial assets and liabilities as at 31 December 2023 (Audited).

Financial assets	Less than 1 year	More than 1 year	Total
Cash and cash equivalents	3,513,390	----	3,513,390
Bank term deposit	632,034	----	632,034
Trade and other receivables	14,264,727	----	14,264,727
Investments designated at fair value through profit and loss	72,374,201	----	72,374,201
Total	90,784,352	----	90,784,352

Financial liabilities	Less than 1 year	More than 1 year	Total
Bank over draft	26,136,005	----	26,136,005
Borrowings	179,745,223	----	179,745,223
Trade and other payables	90,303,241	----	90,303,241
Lease liabilities	388,062	27,224,796	27,612,858
End of service benefits obligation	----	1,951,559	1,951,559
Total	296,572,531	29,176,355	325,748,886

23. RELATED PARTIES

The Group's, in the normal course of business conducts transactions with enterprises which fall within the definition of related party as per International Financial Reporting Standards as they are under common ownership and management, the transactions with this related party are primarily financing in nature. As at the consolidated statement of financial position date the outstanding amounts with related parties were as follows:

a) *RELATED PARTIES - RECEIVABLES*

This item consists of the following :

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
M/s. Saif Bin Darwish L.L.C	**39,602**	88,950
M/s. Darwish Bin Ahmad & Sons	**75,552**	175,505
M/s. Al Falaki General Contracting L.L.C	**139,662**	159,526
M/s. Rashed Darwish Al Ketbi - RDK	**19,686**	19,686
Total - Note 6 (a)	**274,502**	443,667

b) *RELATED PARTY - PAYABLE*

This item consists of the following :

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
M/s. Al Omeira Printing and Publishing Co. W.L.L	**1,832**	73,452
Total - Note 15 (a)	**1,832**	73,452

c) The significant transaction with related parties as follows :

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Sales	**167,450**	667,203
Purchase	**12,350**	44,376
Management fee	**37,500**	1,600,000

24. CONTINGENT LIABILITIES

This item consists of the following:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Letter of guarantee	**195,000**	1,195,000
Security and guarantee cheques	**15,850,369**	15,850,369

25. LITIGATION

a) **Emirates National Bank of Dubai**

Emirates National Bank of Dubai (Emirates NBD) filed a suit against the Group claiming an amount of AED 46,413,146 plus 12% per annum interest from the date of filing the case till the date of the order plus other charges.

On August 4, 2020, the Abu Dhabi Commercial Court of First Instance issued its judgement in relation to the case, ordering an amount of AED 41,759,471 be paid by the Group to the bank inclusive of interest at a rate of 3% per annum on the outstanding balance of AED 23,446,038. Interest continues to accrued until the amount is fully settled.

On November 8,2020, the Group has filed an appeal to the Court of Fist Instance's judgement and requested for to review further the case. On March 31, 2021, the appeal has been rejected and the decision made on August 4, 2020 remained unchanged.

b) **First Abu Dhabi Bank**

First Abu Dhabi Bank (FAB) filed a suit against the Group claiming an amount of AED 181,813,780 plus 12% per annum interest from the date of filing the case till the date of the order plus other charges and advocate fees.

On September 9, 2020, the Abu Dhabi Commercial Court of First Instance issued its judgement in relation to the case, ordering an amount of AED 200,792,150 be paid by the Group to the bank inclusive of interest at a rate of 5% per annum on the amount of AED 181,813,780 from September 30, 2018 (being the date of filing the case) until October 31, 2020. Interest continues to accrued until the amount is fully settled. During the period, the Group sold out the securities and sales proceeds of AED 34,931,585 were directly received by the court.

c) **Ajman Bank**

Ajman Bank filed a suit against the Group claiming an amount of AED 6,057,926 plus advocate fees.

On September 15, 2020, the Abu Dhabi Commercial Court of First Instance issued its judgement in relation to the case, ordering an amount of AED 5,777,403 be paid by the Group to the bank.

26. GENERAL

The figures in the consolidated interim financial statements are rounded to the nearest U.A.E.