

**SHARJAH CEMENT AND
INDUSTRIAL DEVELOPMENT CO.
(PJSC) AND ITS SUBSIDIARY**

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

30 JUNE 2025

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Sharjah Cement and Industrial Development Co. (PJSC) (the “Company”) and its subsidiary (the “Group”), which comprise the interim consolidated statement of financial position as at 30 June 2025 and the related interim consolidated statements of profit or loss, comprehensive income for the three-month and six-month period then ended, and the interim condensed consolidated statement of cash flows and changes in equity for the six-month period then ended and explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Ernst & Young - Middle East (Sharjah Branch)



Wardah Ebrahim
Registration No.: 1258

13 August 2025

Sharjah, United Arab Emirates

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

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2025 (unaudited)

		<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
		<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
	<i>Notes</i>				
Revenue from contracts with customers	4	185,944	170,313	363,939	337,929
Cost of sales		(156,006)	(155,193)	(313,132)	(309,612)
GROSS PROFIT		29,938	15,120	50,807	28,317
Administrative and general expenses		(6,854)	(5,385)	(13,326)	(10,560)
Selling and distribution expenses		(2,530)	(1,443)	(4,090)	(3,111)
Investment income	5	9,029	469	17,779	10,334
Finance expenses		(6,937)	(7,869)	(13,461)	(15,986)
Other income		1,628	350	2,669	901
PROFIT BEFORE TAX		24,274	1,242	40,378	9,895
Income tax expense	18	(1,729)	(55)	(2,330)	(260)
PROFIT FOR THE PERIOD		22,545	1,187	38,048	9,635
Profit attributable to:					
Equity holders of the parent		22,545	1,187	38,048	9,635
Earnings per share					
Basic and diluted earnings per share	15	0.037	0.002	0.063	0.016

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

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

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2025 (unaudited)

		<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
		<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
	<i>Notes</i>				
Profit for the period		22,545	1,187	38,048	9,635
Other comprehensive income/(loss) for the period					
<i>Items that will not be reclassified to profit or loss:</i>					
Investments carried at FVTOCI - net change in fair value	7.1	15,917	(367)	13,024	(8,067)
Deferred tax on fair value change	7.1	(475)	726	(390)	726
Other comprehensive income/(loss) for the period		15,442	359	12,634	(7,341)
Total comprehensive income for the period		37,987	1,546	50,682	2,294
Total comprehensive income attributable to: Equity holders of the parent		37,987	1,546	50,682	2,294

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

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

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 (unaudited)

	Notes	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		884,198	882,891
Investment properties	8	238,344	241,982
Investments carried at FVTOCI	7	180,518	167,253
Deferred tax asset	18	659	325
		<u>1,303,719</u>	<u>1,292,451</u>
Current assets			
Inventories	9	271,556	287,439
Trade and other receivables		296,524	265,217
Investments carried at FVTPL	7	50,349	38,310
Bank balances and cash	10	52,715	42,967
		<u>671,144</u>	<u>633,933</u>
Asset held for sale	6	22,647	47,293
		<u>1,997,510</u>	<u>1,973,677</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Share capital	12	608,254	608,254
Statutory reserve	13	334,091	334,091
General reserve	14	226,373	226,373
Fair value reserve	7	59,148	46,514
Proposed dividend	20	-	30,413
Retained earnings		137,023	98,975
		<u>1,364,889</u>	<u>1,344,620</u>
Total equity			
Liabilities			
Non-current liabilities			
Long term borrowings	11	78,285	94,389
Provision for staff terminal benefits		33,886	33,379
Deferred tax liability	18	538	148
		<u>112,709</u>	<u>127,916</u>
Current liabilities			
Trade and other payables		160,687	220,435
Short term borrowings	11	359,225	280,706
		<u>519,912</u>	<u>501,141</u>
Total liabilities			
		<u>632,621</u>	<u>629,057</u>
TOTAL EQUITY AND LIABILITIES			
		<u>1,997,510</u>	<u>1,973,677</u>

These interim condensed consolidated financial statements were approved by the Board of Directors, and authorised for issue on 13 August 2025 and signed on their behalf by:

Chairman

Chief Executive Officer

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

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2025 (unaudited)

		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
OPERATING ACTIVITIES:			
Profit before tax		40,378	9,895
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment		38,485	35,299
Depreciation on investment properties		3,952	3,926
Provision for staff terminal benefits		1,294	1,240
Provision/(reversal) for inventory	9	1,700	(281)
Provision for expected credit losses		200	-
Gain on disposal of property, plant and equipment		(10)	(39)
Rental income from investment properties		(7,297)	(6,624)
Gain on change in fair value of investments carried at FVTPL	5	(6,287)	(820)
Dividend income	5	(7,701)	(6,344)
Finance expense		13,400	16,192
		78,114	52,444
<i>Working capital adjustments:</i>			
Inventories		14,183	56,899
Trade and other receivables		(31,807)	(35,101)
Trade and other payables		(38,383)	14,818
		22,107	89,060
Staff terminal benefits paid		(787)	(1,371)
Net cash generated from operating activities		21,320	87,689
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(39,792)	(21,067)
Additions to investment property		(313)	(499)
Proceeds from disposal of property, plant and equipment		155	131
Purchase of investments carried at FVTOCI	7.1	(1,763)	-
Proceeds from redemption of investments carried at FVTOCI	7.1	1,522	171
Dividend income received	5	7,701	6,344
Rental income from investment properties – net		7,297	6,624
Purchase of investment carried at FVTPL	7.2	(5,753)	-
Net cash used in investing activities		(30,946)	(8,296)
FINANCING ACTIVITIES			
Proceeds from long term and short term bank loans		354,566	328,306
Repayment of long term and short term bank loans		(292,151)	(386,770)
Interest paid		(12,628)	(18,312)
Dividend paid	20	(30,413)	-
Net cash from/(used in) financing activities		19,374	(76,776)
NET INCREASE IN CASH AND CASH EQUIVALENTS		9,748	2,617
Cash and cash equivalents at the beginning of the period		42,967	19,546
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	10	52,715	22,163
<i>Represented by:</i>			
Cash in hand and at bank		52,715	22,163

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

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

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2025 (unaudited)

	<i>Share capital AED' 000</i>	<i>Statutory reserve AED'000</i>	<i>General reserve AED'000</i>	<i>Fair value reserve AED'000</i>	<i>Retained earnings AED'000</i>	<i>Proposed dividend AED'000</i>	<i>Total AED'000</i>
Balance at 1 January 2025 (audited)	608,254	334,091	226,373	46,514	98,975	30,413	1,344,620
<i>Comprehensive income for the period</i>							
Profit for the period	-	-	-	-	38,048	-	38,048
Other comprehensive gain for the period	-	-	-	12,634	-	-	12,634
Total comprehensive income for the period	-	-	-	12,634	38,048	-	50,682
<i>Transactions with owners of the company</i>							
Dividend paid (refer note 20)	-	-	-	-	-	(30,413)	(30,413)
Total transactions with owners of the Company	-	-	-	-	-	(30,413)	(30,413)
Balance at 30 June 2025 (unaudited)	608,254	334,091	226,373	59,148	137,023	-	1,364,889

	<i>Share capital AED' 000</i>	<i>Statutory reserve AED'000</i>	<i>General reserve AED'000</i>	<i>Fair value reserve AED'000</i>	<i>Retained earnings AED'000</i>	<i>Total AED'000</i>
Balance at 1 January 2024 (audited)	608,254	334,091	226,373	26,040	104,026	1,298,784
<i>Comprehensive income for the period</i>						
Profit for the period	-	-	-	-	9,635	9,635
Other comprehensive loss for the period	-	-	-	(7,341)	-	(7,341)
Total comprehensive income for the period	-	-	-	(7,341)	9,635	2,294
Balance at 30 June 2024 (unaudited)	608,254	334,091	226,373	18,699	113,661	1,301,078

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (unaudited)

1 CORPORATE INFORMATION

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

The interim condensed consolidated financial statements (‘interim financial statements’) as at and for the six-month period ended 30 June 2025 comprise the Company and its subsidiary (collectively referred to as the “Group”).

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

2 BASIS OF PREPARATION

Statement of compliance

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

In addition, results for the three month ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

Basis of measurement

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

Functional and presentation currency

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

Accounting estimates and judgments

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

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

Measurement of fair values

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

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

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

2 BASIS OF PREPARATION (continued)

Measurement of fair values (continued)

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

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

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

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

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

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

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

2.1 BASIS OF CONSOLIDATION

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

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

Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 30 June 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

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

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

New standards, interpretations and amendments

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

New and revised IFRSs

Effective for annual periods beginning on or after

Lack of exchangeability - Amendments to IAS 21

1 January 2025

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

New and revised IFRS

Effective for annual periods beginning on or after

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

1 January 2026, earlier application is permitted

IFRS 18 — Presentation and Disclosure in Financial Statements

1 January 2027, earlier application is permitted

IFRS 19 — Subsidiaries without Public Accountability

1 January 2027, earlier application is permitted

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (unaudited)

4 REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue from contract with customers consists of the following:

	<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Type of revenue				
Sale of goods	185,944	170,313	363,939	337,929
Geographical markets				
Within UAE	168,518	150,469	327,962	295,036
Outside UAE	17,426	19,844	35,977	42,893
Total revenue from contracts with customers	185,944	170,313	363,939	337,929
Timing of revenue recognition				
Good transferred at point in time	185,944	170,313	363,939	337,929

Contract balances

A contract asset is Group's right to consideration in exchange for goods that has been transferred to the customers. The Group has trade receivable of AED 291,886 thousand (31 December 2024: AED 259,292 thousand) and short term advances received from customers to supply the goods are AED 1,474 thousand (31 December 2024: AED 6,591 thousand) as at June 2025.

Performance obligations

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

5 INVESTMENT INCOME

	<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Gain on change of fair value of investments carried at FVTPL (refer note 7.2)	6,260	(1,457)	6,286	820
Operating income from investment properties	1,750	1,452	3,346	2,698
Dividend income	1,008	474	7,701	6,344
Others	11	-	446	472
	9,029	469	17,779	10,334

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (unaudited)

6 ASSET HELD FOR SALE

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
Opening balance	47,293	47,293
Less: disposal of shares	(24,646)	-
Closing balance	22,647	47,293

- (i) This represents 35.5% shareholding of Autoline Industrial Park Limited ("AIPL") in India which holds industrial plots of land in Maharashtra, India.
- (ii) The Board of Directors of AIPL has approved the sale of AIPL and has signed a Memorandum of Understanding with a buyer. The Board of Directors of the Group also approved the sale of Group's shareholding in AIPL.
- (iii) The Group has signed a memorandum of understanding to sell its shareholding in AIPL to a buyer and has agreed on a payment plan. As of June 30, 2025, the Group has received total amount of INR 768 million, equivalent to AED 31.21 million. According to the original MOU, the share transfer would begin once the Group had received 49% of the payment and this condition was later revised to 30%.
- (iv) As of June 30, 2025, against the consideration received the Group has transferred 14.65 million shares to the buyer, which represents about 52% of its shareholding in the investee company. The Group expects to receive the full sale consideration within the next three months.
- (v) Management is of the view that the fair value less cost to sell is expected to be higher than the carrying value.

7 INVESTMENTS

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
<i>Investments carried at FVTOCI</i>		
Investment in quoted equity securities	150,197	135,172
Investment in unquoted securities	30,321	32,081
Total investments carried at FVTOCI (note 7.1)	180,518	167,253
<i>Investments carried at FVTPL</i>		
Investment in quoted equity securities (note 7.2)	50,349	38,310
	230,867	205,563

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (unaudited)

7 INVESTMENTS (continued)

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
Quoted:		
Inside UAE	170,073	141,946
Outside UAE	30,473	31,536
	200,546	173,482
Unquoted:		
Inside UAE	325	325
Outside UAE	29,996	31,756
	30,321	32,081
	230,867	205,563

7.1 Investments carried at FVTOCI

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

Movement during the period / year is as below:

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
As at 1 January	167,253	157,169
Purchases made during the period/year	1,763	1,764
Net change in fair value	13,024	15,772
Disposals/repayment during the period/year	(1,522)	(7,452)
Balance at end of the period/year	180,518	167,253

Cumulative changes in fair value of investments carried at FVTOCI

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
As at 1 January	46,514	26,040
Net change in fair value during the period/year	13,024	15,772
Deferred tax on unrealized fair value change (note 18)	(390)	(148)
Transfer to retained earnings upon disposal	-	4,850
Balance at end of the period/year	59,148	46,514

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (unaudited)

7 INVESTMENTS (continued)

7.2 Investments carried at FVTPL

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

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
As at 1 January	38,310	31,762
Purchases made during the period/year	5,753	-
Fair value gain (note 5)	6,286	6,548
	<u>50,349</u>	<u>38,310</u>
Balance at the end of period/year	<u><u>50,349</u></u>	<u><u>38,310</u></u>

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

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
At 30 June 2025 (unaudited)				
Investments carried at FVTOCI	150,197	-	30,321	180,518
Investments carried at FVTPL	50,349	-	-	50,349
	<u>200,546</u>	<u>-</u>	<u>30,321</u>	<u>230,867</u>
	<u><u>200,546</u></u>	<u><u>-</u></u>	<u><u>30,321</u></u>	<u><u>230,867</u></u>
At 31 December 2024 (audited)				
Investments carried at FVTOCI	135,172	-	32,081	167,253
Investments carried at FVTPL	38,310	-	-	38,310
	<u>173,482</u>	<u>-</u>	<u>32,081</u>	<u>205,563</u>
	<u><u>173,482</u></u>	<u><u>-</u></u>	<u><u>32,081</u></u>	<u><u>205,563</u></u>

There were no transfers between the levels during the period.

8 INVESTMENT PROPERTIES

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
Cost:		
Lands	96,767	96,767
Buildings	227,045	226,731
	<u>323,812</u>	<u>323,498</u>
Depreciation and impairment:		
Accumulated depreciation	(81,989)	(78,037)
Impairment	(3,479)	(3,479)
	<u>(85,468)</u>	<u>(81,516)</u>
Net book value	<u><u>238,344</u></u>	<u><u>241,982</u></u>

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8 INVESTMENT PROPERTIES (continued)

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

9 INVENTORIES

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
Raw materials	83,491	135,502
Work in progress and semi-finished goods	72,164	43,291
Finished goods	15,294	15,169
Stores and spares	121,755	117,307
	292,704	311,269
Less: provision for slow moving inventories	(27,312)	(25,612)
	265,392	285,657
Goods-in-transit	6,164	1,782
	271,556	287,439

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

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
At 1 January	25,612	22,343
Add: provided during the period/year	1,700	4,300
Less: written back during the period/year	-	(1,031)
	27,312	25,612

10 BANK BALANCES AND CASH

	30 June 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
Cash in hand	553	490
Bank balances	52,162	42,477
	52,715	42,967

Bank balances include AED 0.60 million (31 December 2024: AED 1.6 million) held outside UAE.

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11 BANK BORROWINGS

	<i>30 June 2025 AED'000 (unaudited)</i>	<i>31 December 2024 AED'000 (audited)</i>
<i>Long term borrowings:</i>		
Term loans	105,785	142,160
Less: current portion of term loans	(27,500)	(47,771)
	<hr/>	<hr/>
Non-current portion of term loans	78,285	94,389
	<hr/>	<hr/>
<i>Short term borrowings:</i>		
Short term loans	331,725	232,935
Current portion of term loans	27,500	47,771
	<hr/>	<hr/>
	359,225	280,706
	<hr/>	<hr/>

- (i) All facilities bear interest rates at prevailing market rates.
- (ii) Bank borrowings are secured by:
- Demand promissory note for AED 205 million in favor of the bank as a security against the bank facilities.
 - Registered mortgage & assignment of insurance policy over an investment property for an amount of AED 92 million.
 - Assignment of insurance policy in favour of one of the banks in UAE for an amount of AED 130 million in respect of plant and machinery on Paari Passu basis.
 - Registered pledge and assignment of insurance policy over captive power plant for an amount of AED 100 million in favor of one of the banks in UAE.
 - Registered pledge and assignment of insurance policy over waste heat recovery plant for an amount of AED 30 million in favour of one of the banks in UAE.
- (iii) Bank borrowing agreements contain various restrictive covenants and require the Group to maintain certain minimum amounts of working capital, equity and financial ratios. Testing for compliance with the financial covenants is done annually on 31 December. These covenants were met by the Group as at 30 June 2025.
- (iv) The Group has unused credit facilities of AED 209 million as at 30 June 2025 (31 December 2024: AED 194 million).
- (v) During the current period, the Group has signed a new term loan facility of AED 54 million with one of its existing banks for its new Ready Mix Plant.
- (vi) Interest rate on these borrowings varies from 6% to 7% (2024: 6.75% to 7.75%).

12 SHARE CAPITAL

	<i>30 June 2025 AED'000 (unaudited)</i>	<i>31 December 2024 AED'000 (audited)</i>
<i>Authorised, issued and paid up</i>		
608,253,747 shares of AED 1 each	608,254	608,254
	<hr/>	<hr/>

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13 STATUTORY RESERVE

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

14 GENERAL RESERVE

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

15 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to owners of the Group and the weighted average number of ordinary shares outstanding as at 30 June 2025, calculated as follows:

	<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
Profit for the period (AED'000)	22,545	1,187	38,048	9,635
Number of shares (thousands)	608,254	608,254	608,254	608,254
Earning per share (AED)	0.037	0.002	0.063	0.016

16 CONTINGENT LIABILITIES AND COMMITMENTS

As at 30 June 2025, the Group has issued guarantees relating to performance bonds amounting to AED 1,585 thousand (31 December 2024: AED 1,606 thousand), from which it is anticipated that no material liabilities will arise.

The group has commitments towards letter of credit at the reporting date amounted to AED 8,412 thousand (31 December 2024: AED 1,478 thousand).

Estimated capital expenditure commitment at the reporting date amounted to AED 59,823 thousand (31 December 2024: AED 12,269 thousand). The Group also has commitments of AED 736 thousand (31 December 2024: AED 2,500 thousand) on account of investments made in securities and funds. The Group has to pay as and when calls are made by the fund managers/investee companies.

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17 SEGMENT REPORTING

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

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

Investment segment is organised into two business units as follows:

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

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

	<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
<i>Manufacturing</i>				
Revenue from contract with customers	185,944	170,313	363,939	337,929
Cost of sales	(156,006)	(155,193)	(313,132)	(309,612)
Gross profit	29,938	15,120	50,807	28,317
Miscellaneous income	1,613	371	2,656	892
Expenses	(5,559)	(4,208)	(9,992)	(8,669)
Net segment results	25,992	11,283	43,471	20,540
<i>Investment</i>				
Income from investments	7,280	(983)	14,433	7,636
Income from investment properties	3,724	3,415	7,297	6,624
Depreciation on investment properties	(1,975)	(1,963)	(3,951)	(3,926)
	1,749	1,452	3,346	2,698
Net segment results	9,029	469	17,779	10,334
Finance costs	(6,937)	(7,860)	(13,461)	(15,986)
Unallocated income and expenses-Head office	(3,809)	(2,650)	(7,411)	(4,993)
Income tax expense	(1,730)	(55)	(2,330)	(260)
Profit for the period	22,545	1,187	38,048	9,635

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17 SEGMENT REPORTING (continued)

Other information

	<i>30 June 2025 (unaudited)</i>			<i>31 December 2024 (audited)</i>		
	<i>Manufacturing AED'000</i>	<i>Investment AED'000</i>	<i>Total AED'000</i>	<i>Manufacturing AED'000</i>	<i>Investment AED'000</i>	<i>Total AED'000</i>
Segment assets	1,505,359	492,151	1,997,510	1,478,814	494,863	1,973,677
Segment liabilities	626,214	6,407	632,621	613,304	15,753	629,057
Depreciation	38,485	3,952	42,437	71,534	7,874	79,408
Capital expenditure	39,792	2,076	41,868	78,604	3,746	82,350

Geographical information

The following table presents revenue, asset and liability information regarding geographic segments for the periods ended 30 June 2025 and 30 June 2024.

	<i>30 June 2025 (unaudited)</i>			<i>30 June 2024 (unaudited)</i>		
	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>
Revenue	327,962	35,977	363,939	295,036	42,893	337,929
Investment income	14,233	3,546	17,779	8,754	1,580	10,334

	<i>30 June (unaudited)</i>			<i>31 December 2024 (audited)</i>		
	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>
Assets	1,907,261	90,249	1,997,510	1,851,425	122,252	1,973,677
Liabilities	525,651	106,970	632,621	552,523	76,534	629,057
Capital expenditure	40,105	1,763	41,868	80,586	1,764	82,350

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

Reconciliation between accounting profit and taxable income is as follow;

	<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025 (unaudited) AED'000</i>	<i>2024 (unaudited) AED'000</i>
Accounting profit before tax	40,378	9,895
At United Arab Emirates corporate tax rate	3,634	891
<i>Adjustments for amounts which are non-deductible / (taxable) in calculating taxable income</i>		
Non-deductible expenses for tax purposes	361	769
Exempt income under CT Law	(1,298)	(1,421)
Effect of standard exemption	(34)	(34)
Others	(333)	55
Corporate income tax charge	2,330	260
Effective tax rate	6.5%	2.6%

Current tax and deferred tax charge recorded in profit or loss are as follows;

	<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025 (unaudited) AED'000</i>	<i>2024 (unaudited) AED'000</i>	<i>2025 (unaudited) AED'000</i>	<i>2024 (unaudited) AED'000</i>
<i>Interim Consolidated Statement of Profit or loss</i>				
Current income tax charge	1,828	186	2,662	186
Deferred tax related to gain on investments at FVTPL	174	(131)	(32)	74
Deferred tax related to the provision for inventory and receivables	(273)	-	(300)	-
	1,729	55	2,330	260
<i>Interim Condensed Consolidated Other Comprehensive income</i>				
Deferred tax related to change in FV on FVTOCI investments (note 7)	305	(35)	390	726

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (unaudited)

18 INCOME TAX (continued)

Current and Deferred Tax reflected in the interim condensed consolidated statement of financial position as follows;

	<i>30 June 2025 (unaudited) AED'000</i>	<i>31 December 2024 (audited) AED'000</i>
Deferred Tax Asset	659	325
Deferred Tax Liabilities	(538)	(148)
Deferred tax asset – net	121	177
Movement in Current tax payable is as below;		
As of 1 January	2,376	-
Charge for the period / year	2,662	2,376
Current tax payable	5,038	2,376

19 RELATED PARTY TRANSACTIONS AND BALANCES

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

Compensation of key management personnel is as follows:

	<i>Three-month period ended 30 June (unaudited)</i>		<i>Six-month period ended 30 June (unaudited)</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
Short term employee benefits and end of service benefits (AED'000)	1,946	1,840	3,887	3,681
Number of key management personnel	14	14	14	14

20 DIVIDENDS

At the Board of Directors Meeting held on 5 March 2025, the Directors have proposed AED 30,413 thousand cash dividend at AED 0.05 per share in respect of the year ended 31 December 2024 (31 December 2023: Nil) which was later approved by the Shareholders in General Assembly meeting held on 10 April 2025 and the dividend amount was partly paid during the period ended 30 June 2025.

21 APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed financial statements were approved by the Board of Directors and authorised for issue on 13 August 2025.