

Gulf Cement Company P.S.C.

Unaudited Interim Condensed
Financial Information

For the Three-Month Period Ended
31 March 2026

Gulf Cement Company P.S.C.

Unaudited interim condensed financial information

For the three months period ended 31 March 2026

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Report on Review of Interim Condensed Financial Information To the Shareholders of Gulf Cement Company P.S.C

Introduction

We have reviewed the accompanying interim condensed financial position of Gulf Cement Company P.S.C. (the "Company") as at 31 March 2026 and the related interim condensed statement of profit or loss and interim condensed statement of comprehensive income, the interim condensed statements of changes in equity and interim condensed statement of cash flows for the three months period then ended and a summary of material accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on the interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the 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 financial information are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

GRANT THORNTON UAE

**Anand Prabhu****Registration No: 5567****Sharjah, United Arab Emirates****May 12, 2026**

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Interim condensed statement of profit or loss
For the three months period ended 31 March 2026

	Notes	<i>Three months ended</i>	
		31 March 2026 AED <i>(Unaudited)</i>	31 March 2025 AED <i>(Unaudited)</i>
Revenue from contract with customers	4	157,311,811	139,963,897
Other operating income	5	4,061,579	4,446,806
Raw materials, supplies and consumables		(110,234,383)	(116,609,636)
Changes in inventories of finished goods and work in progress		15,078,974	57,645
Services		(15,103,578)	(13,081,022)
Staff cost		(9,709,083)	(9,132,323)
Other operating expenses		(578,846)	(277,055)
Depreciation and amortization expenses		(14,075,875)	(14,966,807)
Operating profit/ (loss)		26,750,599	(9,598,495)
Investment income	6	-	822,351
Finance income		-	977,023
Finance costs		(1,941,213)	(2,881,367)
Profit/ (loss) for the period before tax		24,809,386	(10,680,488)
Income tax expense	18	(2,232,845)	-
Profit/ (loss) for the period after tax		22,576,541	(10,680,488)
Earnings per share (EPS):			
Basic and diluted earnings/(loss) per share	19	0.05	(0.03)

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Interim condensed statement of comprehensive income
For the three months period ended 31 March 2026

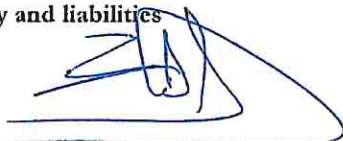
	Note	<i>Three months ended</i>	
		31 March 2026 AED <i>(Unaudited)</i>	31 March 2025 AED <i>(Unaudited)</i>
Profit/ (loss) for the period after tax		22,576,541	(10,680,488)
Other comprehensive income:			
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</i>			
Gain on disposal of investments carried at fair value through other comprehensive income (FVTOCI)		-	-
Net change in fair value of investments carried at fair value through other comprehensive income (FVTOCI)	9(a)	-	182,238
Total other comprehensive income		-	182,238
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		22,576,541	(10,498,250)

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Interim condensed statement of financial position
As at 31 March 2026

	Notes	31 March 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Assets			
Non-current			
Property, plant and equipment	7	515,018,623	526,943,036
Right of use asset	8(a)	3,547,036	3,848,196
Deferred tax asset		3,287,839	4,962,473
Investment carried at FVTOCI	9(a)	48,471	48,471
Trade and other receivables	11	406,061	406,061
		<u>522,308,030</u>	<u>536,208,237</u>
Current			
Inventories	10	174,143,493	171,070,993
Trade and other receivables	11	161,605,540	145,601,298
Cash and cash equivalents	12	2,203,396	2,216,644
		<u>337,952,429</u>	<u>318,888,935</u>
Total assets		<u>860,260,459</u>	<u>855,097,172</u>
Equity and liabilities			
Equity			
Share capital	13	410,548,410	410,548,410
Reserves	14	166,482,312	166,482,312
Fair value reserve	9(a)	(12,827,850)	(12,827,850)
Accumulated losses		(42,675,012)	(65,251,553)
Total equity		<u>521,527,860</u>	<u>498,951,319</u>
Liabilities			
Non-current			
Provision for employees' end of service indemnity		8,695,753	8,432,234
Lease liability	8(b)	2,076,478	2,208,249
		<u>10,772,231</u>	<u>10,640,483</u>
Current			
Bank borrowings	15	75,157,005	75,409,065
Trade and other payables	16	251,585,166	268,909,471
Lease liability	8(b)	1,218,197	1,186,834
		<u>327,960,368</u>	<u>345,505,370</u>
Total liabilities		<u>338,732,599</u>	<u>356,145,853</u>
Total equity and liabilities		<u>860,260,459</u>	<u>855,097,172</u>



Sheikh Omar Saqer Khaled Humaid Alqassimi
Chairman of Board of Directors

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

**Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)**

**Interim condensed statement of changes in equity
For the three months ended 31 March 2026**

	Share capital AED	Reserves AED	Fair value reserve AED	Accumulated losses AED	Total equity AED
Balance at 1 January 2026 (audited)	410,548,410	166,482,312	(12,827,850)	(65,251,553)	498,951,319
Profit for the period after tax	-	-	-	22,576,541	22,576,541
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	22,576,541	22,576,541
Balance at 31 March 2026 (unaudited)	410,548,410	166,482,312	(12,827,850)	(42,675,012)	521,527,860

	Share capital AED	Reserves AED	Fair value reserve AED	Accumulated losses AED	Total equity AED
Balance at 1 January 2025 (audited)	410,548,410	166,482,312	(12,947,338)	(57,483,000)	506,600,384
Loss for the period after tax	-	-	-	(10,680,488)	(10,680,488)
Other comprehensive income for the period	-	-	182,238	-	182,238
Total comprehensive loss for the period	-	-	182,238	(10,680,488)	(10,498,250)
Balance at 31 March 2025 (unaudited)	410,548,410	166,482,312	(12,765,100)	(68,163,488)	496,102,134

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Interim condensed statement of cash flows
For the three months period ended 31 March 2026

	Notes	<i>Three months period ended</i>	
		31 March 2026 AED <i>(Unaudited)</i>	31 March 2025 AED <i>(Unaudited)</i>
OPERATING ACTIVITIES			
Profit/ (loss) for the period before tax		24,809,386	(10,680,488)
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	7	13,774,715	14,841,307
Amortisation of right of use asset	8(a)	301,160	125,500
Finance costs		1,896,711	2,881,367
Provision for employees' end of service indemnity		450,465	330,137
Unrealised (gain) / loss on investments carried at FVTPL	6	-	(822,351)
Dividend income		-	(994,699)
Finance income		(285)	(375)
		<u>41,232,152</u>	<u>5,680,398</u>
<i>Net changes in working capital:</i>			
Trade and other receivables		(16,004,242)	(6,303,912)
Inventories		(3,072,500)	4,781,120
Trade and other payables		(18,734,240)	(3,726,859)
<i>Cash generated from operating activities</i>			
		<u>3,421,170</u>	<u>430,747</u>
Employees' end of service indemnity paid		(186,946)	(20,597)
Finance cost paid		(1,042,300)	(531,686)
Net cash flows generated from/ (used in) operating activities		<u>2,191,924</u>	<u>(121,536)</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7	(1,850,302)	(3,172,098)
Dividends received		-	994,699
Interest received		285	375
Net cash flows used in investing activities		<u>(1,850,017)</u>	<u>(2,177,024)</u>
FINANCING ACTIVITIES			
Net movement in bank borrowings		(252,060)	4,333,600
Repayment of finance lease liability		(100,408)	(117,486)
Dividends paid		(2,687)	(5,200)
Net cash flows (used in)/ generated from financing activities		<u>(355,155)</u>	<u>4,210,914</u>
Net change in cash and cash equivalents		<u>(13,248)</u>	<u>1,912,354</u>
Cash and cash equivalents as at the beginning of period		<u>2,216,644</u>	<u>347,012</u>
Cash and cash equivalents as at the end of the period	12	<u>2,203,396</u>	<u>2,259,366</u>

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information
For the three months period ended 31 March 2026

1. Corporate information

Gulf Cement Company P.S.C. (Public Shareholding Company) having license no. 32 is incorporated as a public shareholding company by Emiri decree number 24/77 issued by His Highness, The Ruler of Ras Al Khaimah, U.A.E., in 1977. The address of the Company's registered office is P. O. Box 5295, Ras Al Khaimah, United Arab Emirates.

The principal activities of the Company are production and marketing of all types of cement.

The Company's shares are listed on Abu Dhabi Securities Exchange (ADX). In the General Assembly Meeting held on 02 April 2020, the shareholders approved the delisting of the Company's shares from Kuwait Stock Exchange (Boursa Kuwait). The last day of trading of the Company's shares in Boursa Kuwait was on 14 December, 2020.

TC MENA Holdings Ltd ("TCM"), a subsidiary of Buzzi S.p.A. (an Italian public company listed on the Italian stock exchange), holds a controlling interest in Gulf Cement Company P.S.C. ("the Company"). Buzzi S.p.A. is the ultimate parent entity holding 90% of TCM.

1.1 Going concern

Management has assessed the Company's ability to continue as a going concern for a period of at least twelve months from the reporting date and has concluded that the going concern basis of preparation is appropriate. This assessment reflects the continued strengthening of the Company's operating and financial position during the period. The Company generated EBITDA of AED 40.8 million, supported by sustained improvements in pricing, an enhanced domestic sales mix and ongoing operational efficiencies. Liquidity remained stable through access to AED 168.1 million of revolving banking facilities, of which approximately AED 68.5 million remained undrawn as of 31 March 2026, and the Company remained fully compliant with all banking covenants as at end of reporting period. The Company continues to meet day-to-day working capital requirements through advance cash sales, disciplined inventory management, strong credit control processes and established banking lines, including overdraft facilities that remain available and operational.

Furthermore, the Company has implemented enhanced receivable-management practices, including a reduction in customer credit periods by 55 days, which is expected to accelerate cash collections, strengthen the cash-conversion cycle and further support short-term liquidity.

The Company has a three-year fuel supply arrangement in place, supporting continuity of a key production input. In the context of evolving global and geopolitical developments, including changes in energy market conditions, the Company has supplemented its fuel mix with alternative sources, including the use of coal alongside gas sourced from a key supplier, providing flexibility in managing its overall cost profile.

Sales arrangements remain largely market-linked, enabling pricing to reflect prevailing conditions over time. These factors have been considered in management's assessment of the Company's operations and financial position. Management's forecasts assume a normalisation of production activity and anticipate further domestic revenue growth supported by existing contracts, newly generated sales, and potential offtake arrangements. The Company also benefits from strengthened governance and oversight following the acquisition by TCM, with strategic support, operational expertise, and enhanced treasury monitoring contributing to financial discipline and continued execution of operational plans.

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

1. Corporate information (continued)

1.1 Going concern (continued)

Management has prepared detailed cash-flow forecasts and conducted sensitivity analyses reflecting reasonably possible changes in trading conditions. The results indicate that the Company is expected to maintain sufficient liquidity headroom and meet its obligations as they fall due throughout the going-concern assessment period. Even under an unlikely scenario involving a 20% reduction in the total facility limit, the Company's ability to continue as a going concern over the next 12 months would remain intact, supported by stable cash flows and conservative levels of facility utilisation.

Considering these factors, together with the financing facilities currently in place and the enhanced strategic support following the recent change in ownership, management, with oversight from the Board of Directors, is confident that the Company has adequate financial and operational resources to continue as a going concern. Accordingly, the financial statements have been prepared on that basis.

2. Basis of preparation and material accounting policies

2.1 Basis of preparation

The interim condensed financial statements of the Company for the three months period ended 31 March 2026 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at 31 December 2025. In addition, results for the three months period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The interim condensed financial statements have been prepared in United Arab Emirates Dirhams (AED), which is the Company's functional currency, and all values are rounded to the nearest Dirhams except where otherwise indicated.

The interim condensed financial information have been prepared on a historical cost basis except for investments carried at fair value through profit or loss (FVTPL), investments carried at fair value through other comprehensive income (FVTOCI).

2.2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and 9)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and 7)
- Annual improvements to IFRS Accounting Standards - Volume 11

This amendment did not have a significant impact on this interim condensed financial information, and therefore, the disclosures have not been made.

2.3 Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

Other standards, amendments and interpretations that are not yet effective and have not been early adopted by the Company include:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- IFRS 18 Presentation and Disclosures in Financial Statements

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

2. Basis of preparation and material accounting policies (continued)

2.3 Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Company (continued)

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to translation to a Hyperinflationary Presentation Currency.
- Amendments to IFRS 10 Consolidated Financial statements and IAS 28 Investments in Associates and Joint Ventures

IFRS 18 introduces new presentation and disclosure requirements of additional totals in the statement of profit or loss, a new note which discloses management-defined performance measures and enhancements to the requirements for aggregation and disaggregation. Management is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's interim condensed financial information. These remaining above standards, amendments and interpretations are not expected to have a significant impact on the interim condensed financial information in the period of initial application and therefore no disclosures have been made.

3. Critical accounting judgements & key sources of estimates uncertainty

The preparation of interim condensed financial information requires management to make judgements, estimates and assumptions 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.

In preparing this interim condensed financial information, the significant judgements and estimated made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the year ended 31 December 2025.

Judgements

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Estimates

Allowance for expected credit losses

Loss allowance for financial assets is based as assumptions about rise of default and expected loss rates. The Company uses judgement in making this assumption and selecting the impacts to the impairment calculation, based on the Company's past history, existing market conditions as well as forward, looking estimates at the end of each reporting period.

Residual values and useful lives of property, plant and equipment

The Company has carried out a review of the residual values and useful lives of asset after considering the expected usage of the asset, physical wear and tear technical or commercial obsolescence. Management has not highlighted any requirement for an adjustment to the residual lives and remaining useful lives of the assets for the current or future periods.

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

3. Critical accounting judgements & key sources of estimates uncertainty (continued)

Estimates (continued)

Impairment of inventories

Impairment of inventories reflects estimates of losses arising from the presence of slow-moving items in the inventories. The charge is based on management discretion after analysing the inventory movement. Changes to the estimated provision may be required if the item of inventory already provided for is sold.

4. Revenue from contract customers

4.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	<i>Three months period ended</i>	
	31 March 2026 AED <i>(unaudited)</i>	31 March 2025 AED <i>(unaudited)</i>
Type of revenue		
Sale of goods	157,311,811	139,963,897
Geographical markets		
Within UAE	124,078,240	75,141,200
Outside UAE	33,233,571	64,822,697
	<u>157,311,811</u>	<u>139,963,897</u>
	<i>Three months period ended</i>	
	31 March 2026 AED <i>(unaudited)</i>	31 March 2025 AED <i>(unaudited)</i>
Timing of revenue recognition		
Goods transferred at a point in time	<u>157,311,811</u>	<u>139,963,897</u>

Revenue includes AED 100.6 million which represents 64% of total revenue from 7 customers (three months period ended 31 March 2025: AED 88.8 million which represents 63% of total revenue from 7 customers).

4.2 Contract balances

	31 March 2026 AED <i>(unaudited)</i>	31 December 2025 AED <i>(audited)</i>
Asset		
Trade receivables (note 11)	<u>136,484,901</u>	<u>123,490,007</u>
Liability		
Advances from customers (note 16)	<u>17,592,076</u>	<u>22,069,885</u>

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

4. Revenue from contracts with customers (continued)

4.3 Performance obligations

The performance obligation on sales of goods is satisfied upon delivery as per terms of underlying customer contract, and payment is generally due within 90 to 125 days (2025: 150 to 180 days) from delivery.

5. Other Operating Income

Other operating income consists of income earned on electricity generated by the Company and distributed to a customer and scrap sales. Income earned during the three months period ended 31 March 2026 amounted to AED 4.06 million (31 March 2025: AED 4.45 million).

6. Investment Income

	<i>Three months period ended</i>	
	31 March 2026 AED (unaudited)	31 March 2025 AED (unaudited)
Unrealised gain on investments carried at FVTPL (note 9(b))	-	822,351
	-	822,351

7. Property, plant and equipment

- a) During the three months period ended 31 March 2026, additions to property, plant and equipment amounted to AED 1.8 million (31 March 2025: AED 3.17 million) and depreciation for the three months period ended 31 March 2026 amounted to AED 13.77 million (31 March 2025: AED 14.84 million).
- b) The factory and its related buildings are constructed on plots of land owned by the Government of Ras Al Khaimah.
- c) All property, plant and equipment is located in the UAE.
- d) There is a negative pledge over property, plant and equipment against borrowings (note 15).
- e) Assignment of fire insurance policy over moveable property, plant and equipment in relation to banking facilities obtained by the Company (note 15).

8. Leases and right-of-use-asset

Company as a lessee

The Company has a lease contract for use of plant and machinery for its operations with lease term of four years. The Company also has certain lease with lease term of 12 months or less. The Company applies the 'short-term lease' recognition exemption for this lease.

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

8. Leases and right-of-use-asset (continued)

- a) Set out below is the carrying amount of right-of-use asset recognised and the movements during the period/year:

	31 March 2026 AED (<i>unaudited</i>)	31 December 2025 AED (<i>audited</i>)
Balance at the beginning of the period/year	3,848,196	2,300,833
Additions during the period/year	-	2,107,916
Amortised during the period/year	(301,160)	(560,553)
Balance at the end of the period/year	<u>3,547,036</u>	<u>3,848,196</u>

- b) Set out below is the carrying amount of lease liability recognised and the movements during the year/period:

	31 March 2026 AED (<i>unaudited</i>)	31 December 2025 AED (<i>audited</i>)
Balance at the beginning of the year	3,395,083	2,017,393
Additions during the period/ year	-	2,107,916
Accretion of interest during the period/ year	61,592	134,765
Payment during the period/year	(162,000)	(864,991)
Balance at the end of the period/year	<u>3,294,675</u>	<u>3,395,083</u>

Classified as:

Current liabilities	1,218,197	1,186,834
Non-current liabilities	2,076,478	2,208,249
	<u>3,294,675</u>	<u>3,395,083</u>

- c) Following are the amounts recognised in the statement of profit or loss for the period ended 31 March 2026:

	31 March 2026 AED (<i>unaudited</i>)	31 March 2025 AED (<i>unaudited</i>)
Amortisation of right-of-use asset	301,160	125,500
Interest on lease liability	61,592	44,514
Expense relating to short-term lease	305,477	425,022
	<u>668,229</u>	<u>595,036</u>

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

9. Investment in securities

a) Investments carried at FVTOCI

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Quoted	33,815	33,815
Unquoted	12,842,506	12,842,506
Total gross investments at FVTOCI at cost	12,876,321	12,876,321
Less: accumulated fair value reserve, net	(12,827,850)	(12,827,850)
Fair value of investments	48,471	48,471

The geographical spread of the above investments is as follows:

	31 March 2026 (unaudited)			31 December 2025 (audited)		
	Concentration percentage on fair value	Cost AED	Fair value AED	Concentration percentage on fair value	Cost AED	Fair value AED
Kuwait	100%	12,876,321	48,471	100%	12,876,321	48,471

The cumulative change in fair value of investments carried at FVTOCI amounted to negative AED 12.8 million as at 31 March 2026 (31 December 2025: negative AED 12.8 million) and is shown under equity.

Equity instruments designated at FVTOCI include investments in equity shares of listed and non-listed companies. The Company holds non-controlling interests in these companies. These investments were irrevocably designated at FVTOCI as the Company considers these investments to be strategic in nature.

b) Investments carried at FVTPL

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Unquoted		
Opening balance	8,299,928	8,299,928
Changes in fair value	(8,299,928)	(8,299,928)
Total	-	-

Gulf Cement Company P.S.C.
Interim Condensed Financial Information (Unaudited)

Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

9. Investment in securities (continued)

b) Investments carried at FVTPL (continued)

The geographical spread of the above investments is as follows:

	31 March 2026 (Unaudited)			31 December 2025 (Audited)		
	Concentration percentage on fair value	Cost AED	Fair value AED	Concentration percentage on fair value	Cost AED	Fair value AED
UAE	-	-	-	-	-	-
Other GCC Countries	-	8,299,928	-	-	8,299,928	-
	-	8,299,928	-	-	8,299,928	-

Movement in investment in securities were as follows:

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Fair value of investments at the beginning of the period / year	48,471	15,509,100
Additions made during the period / year	-	-
Disposals made during the period / year	-	(15,487,800)
Change in the fair value of investments carried at FVTPL	-	-
Change in the fair value of investments carried at FVTOCI	-	27,171
Fair value of investments at the end of the period / year	48,471	48,471

10. Inventories

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Finished goods	5,733,551	2,975,277
Raw materials	2,205,045	2,910,134
Work in progress	52,179,493	39,858,793
Bags, fuel and lubricants	6,055,703	22,844,956
Spare parts	119,037,775	116,544,020
Consumable items	26,396,954	23,442,919
Tools	481,411	441,333
	212,089,932	209,017,432
Less: provision for slow-moving inventories	(37,946,439)	(37,946,439)
	174,143,493	171,070,993

- a) Assignment of fire insurance policy over inventories in relation to banking facilities obtained by the Company (note 15).
- b) Inventories are pledged against banking facilities obtained by the Company (note 15).

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For the three months period ended 31 March 2026

11. Trade and other receivables

	31 March 2026 AED <i>(unaudited)</i>	31 December 2025 AED <i>(audited)</i>
Trade receivables	139,076,701	126,307,444
Less: provision for expected credit losses (note (b))	<u>(2,591,800)</u>	<u>(2,817,437)</u>
	136,484,901	123,490,007
Prepayments	3,129,067	3,475,793
Advance to suppliers	4,726,393	5,473,191
Other receivables	16,765,179	12,662,307
Relating to receivable from sale of an associate	<u>906,061</u>	<u>906,061</u>
	162,011,601	146,007,359
Relating to receivable from sale of an associate due after one year	<u>(406,061)</u>	<u>(406,061)</u>
	<u>161,605,540</u>	<u>145,601,298</u>

- a) Trade receivables amounting to AED 36 million (31 December 2025: AED 32.7 million) are fully covered by unconditional bank guarantees or letter of credit from the customers to secure the collectability of these trade receivables.
- b) Movement in provision for expected credit losses during the period was as follows:

	31 March 2026 AED <i>(unaudited)</i>	31 December 2025 AED <i>(audited)</i>
Balance at the beginning of the period / year	2,817,437	2,834,802
Written off/ reversed during the period / year	<u>(225,637)</u>	<u>(17,365)</u>
Balance at the end of the period / year	<u>2,591,800</u>	<u>2,817,437</u>

- c) Other receivables include balances due from related parties amounting to AED 2,651,536.

12. Bank balances and cash

	31 March 2026 AED <i>(unaudited)</i>	31 December 2025 AED <i>(audited)</i>
Cash on hand	<u>83,941</u>	<u>5,327</u>
Bank balances:		
Current accounts	1,964,254	2,178,535
Call deposits	<u>155,201</u>	<u>32,782</u>
Total bank balances	<u>2,119,455</u>	<u>2,211,317</u>
Total cash and bank balance	<u>2,203,396</u>	<u>2,216,644</u>

Call deposits carry interest at commercial rates per annum and are made for a period of less than three months.

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13. Share capital

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Authorised, issued and fully paid: 410,548,410 ordinary shares of AED 1 each	410,548,410	410,548,410

14. Reserves

According to the Company's Articles of Association and the requirements of the U.A.E. Federal Law No. 32 of 2021 (as amended), 10% of the profit of each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of the paid-up share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

According to the Company's Articles of Association, 10% of the profit for each year is transferred to the voluntary reserve. The transfer to voluntary reserve may be suspended by the ordinary general assembly at the recommendation of the Board of Directors or when it reaches 20% of the Company's paid-up share capital.

On 14 November 2023, the Company's Board of Directors has resolved to set off the accumulated losses of AED 182,180,729 by utilising an equivalent amount standing to the credit of available reserves, which is approved by the shareholders in the general meeting held on 20 December 2023 and Securities and Commodities Authority (SCA). This resulted in a decrease in the accumulated losses and a corresponding reduction in the statutory and voluntary reserves of the Company.

As at 31 March 2026, the statutory reserve exceeded the 50% of the paid-up share capital. In prior years, upon the approval and recommendation by the regulatory authorities in the UAE, the management has decided to maintain the statutory reserve at the same level.

15. Bank borrowings

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Bank overdraft facilities	46,925,951	41,734,347
Short term loan	28,231,054	33,674,718
	75,157,005	75,409,065

The Company's overdraft balances are repayable on demand and short-term loans are repayable within twelve months. The overdraft balances and short-term loan carries interest rates at market competitive variable rates based on EIBOR plus a spread and are secured against promissory note issued by the Company and certain other securities such as assignment of fire insurance policy over inventory (note 10 (a)) and movable property, plant and equipment (note 7(e)) and pledge over inventories (note 10(b)) and a negative pledge over property, plant and equipment (note 7(d)).

Bank overdrafts are considered a form of financing and hence not included as a component of cash and cash equivalents in the interim condensed statement of cash flows.

Short-term loans represent facilities obtained to meet operational requirements, including payments for raw materials, utilities, and essential services. These loans are primarily linked to letters of credit and guarantees issued to vendors and service providers to ensure uninterrupted production and supply chain continuity.

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For the three months period ended 31 March 2026

16. Trade and other payables

	31 March 2026 AED <i>(unaudited)</i>	31 December 2025 AED <i>(audited)</i>
Trade payables	171,739,621	195,778,284
Dividend payable	24,751,164	24,753,851
Accrued expenses	33,427,505	24,212,557
Advances from customers (note 4.2)	17,592,076	22,069,885
Interest payable	2,061,338	1,235,025
VAT payable	1,203,868	668,056
Corporate tax payable	558,211	-
Other payables	251,383	191,813
	<u>251,585,166</u>	<u>268,909,471</u>

17. Related party balances and transactions

Related parties include the Company's major Shareholders, directors and businesses controlled by them and their families over which they exercise significant management influence as well as key management personnel.

a) **Related party transactions**

	<i>Three months period ended</i>	
	31 March 2026 AED <i>(unaudited)</i>	31 March 2025 AED <i>(unaudited)</i>
Other operating income		
TC MENA Holdings LTD (Parent)	<u>241,880</u>	-
Attendance expenses		
Board of Directors and committees' meetings	<u>375,000</u>	<u>215,640</u>

Balances with related parties included in the statement of financial position are as follows:

	31 March 2026 AED <i>(unaudited)</i>	31 December 2025 AED <i>(audited)</i>
Trade and other receivables		
TC MENA Holdings LTD (Parent)	2,651,536	-

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For the three months period ended 31 March 2026

17 Related party balances and transactions (continued)

b) Compensation of key management personnel

The remuneration of key management during the period was as follows:

	<i>Three months period ended</i>	
	31 March 2026 AED (unaudited)	31 March 2025 AED (unaudited)
Salaries and other short-term benefits	1,515,816	1,220,891
Employees' end of service benefits	107,275	33,364
	1,623,091	1,254,255

The amounts disclosed in the table above relating to salaries and other short-term benefits are the amounts recognised as an expense during the period related to key management personnel.

18. Income tax

On 9 December 2022, UAE Ministry of Finance (MoF) released Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (CT Law) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

Reconciliation of tax expense and accounting loss for the period ended 31 March is as below:

	<i>Three months period ended</i>	
	31 March 2026 AED (unaudited)	31 March 2025 AED (unaudited)
Current tax expense	558,211	-
Deferred tax expense*	1,674,634	-
Income tax expense	2,232,845	-

*Deferred tax expense primarily relates to the utilisation of brought-forward tax losses, with utilisation in the period limited to 75% of taxable income in accordance with UAE Corporate Tax regulations.

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For the three months period ended 31 March 2026

18. Income tax (continued)

	<i>Three months period ended</i>	
	31 March 2026 AED (unaudited)	31 March 2025 AED (unaudited)
Accounting profit/ (loss) before tax	24,809,386	(10,680,488)
At United Arab Emirates' statutory corporate tax rate of 9%		
Adjustments for amounts which are non-deductible / (taxable) in calculating taxable income:		
Non-deductible expenses for tax purposes	-	-
Exempt income	-	(994,699)
Taxable profit/ (loss)	24,809,386	(11,675,187)
At the effective income tax rate of 9%	2,232,845	-

International Tax Reform – Pillar Two (Global Minimum Tax)

The Organisation for Economic Co-operation and Development (“OECD”) has issued the Global Anti-Base Erosion (“GloBE”) Model Rules (“Pillar Two”), which introduce a global minimum effective tax rate of 15% applicable to multinational enterprise groups that meet the prescribed consolidated revenue threshold.

Management has assessed the potential applicability of Pillar Two to the Company, taking into account the Company’s ownership structure, operations, and applicable regulatory framework.

Based on this assessment, management has concluded that Pillar Two is not expected to be applicable to the Company for the reporting period. As at 31 March 2026, no enacted or substantively enacted legislation has resulted in any current or deferred tax impact arising from Pillar Two in the interim financial statements. The management will continue to monitor developments relating to the implementation of Pillar Two and will reassess any potential financial statement impact should relevant legislation be enacted.

19. Basic and diluted loss per share

	<i>Three months period ended</i>	
	31 March 2026 AED (unaudited)	31 March 2025 AED (unaudited)
Profit/ (loss) for the period (in AED)	22,576,541	(10,680,488)
Weighted average number of shares	410,548,410	410,548,410
Basic and diluted profit/ (loss) per share (in AED)	0.05	(0.03)

The Company has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

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Notes to the interim condensed financial information (continued)
For the three months period ended 31 March 2026

21. Contingent liabilities and commitments

	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)
Letters of credit	24,417,840	21,380,008
Letters of guarantee	36,725	36,725

22. Fair value measurement

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

Fair value of financial instruments carried at amortised cost

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the interim condensed financial information approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended 31 December 2025.

Fair value of the Company's financial assets that are measured at fair value on recurring basis

Some of the Company's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined;

Financial assets	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable inputs to fair value
	31 March 2026 AED (unaudited)	31 December 2025 AED (audited)				
Quoted equity investments carried at FVTOCI	48,471	48,471	Level 1	Quoted bid prices in an active market	None	N/A
	<u>48,471</u>	<u>48,471</u>				

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Notes to the interim condensed financial information (continued)
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22. Fair value measurement (continued)

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

31 March 2026 (unaudited)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Investments carried at FVTOCI:				
- Quoted equities	48,471	-	-	48,471
	48,471	-	-	48,471
	48,471	-	-	48,471

31 December 2025 (audited)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Investments carried at FVTOCI				
- Quoted equities	48,471	-	-	48,471
	48,471	-	-	48,471
	48,471	-	-	48,471

There were no transfers between the levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

23. Comparative information

Certain corresponding figures for previous year have been reclassified in order to conform to the presentation for the current year. Such reclassifications do not affect previously reported profit or shareholder's equity.

These changes have been made to improve the quality of information presented.

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For the three months period ended 31 March 2026

24. Events during the reporting period

During the period ended 31 March 2026, ongoing geopolitical developments in the region have contributed to a degree of uncertainty in the broader economic environment. Management is monitoring the situation and continues to assess any potential implications for the Company's operations and financial position. Based on the assessment performed to date, no material impact has been identified.

25. Approval of interim condensed financial information

The interim condensed financial information were approved by the Board of Directors and authorised for issue on 12 May 2026.