

**Ras Al Khaimah Co. for White  
Cement and Construction  
Materials P.S.C.**

Consolidated Financial Statements

*For the year ended 31 March 2026*

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Consolidated financial statements

*For the year ended 31 March 2026*

<b><i>Contents</i></b>	<b><i>Page</i></b>
Directors' report	1
Independent auditors' report on audit of consolidated financial statements	2 – 7
Consolidated statement of financial position	8
Consolidated statement of profit or loss	9
Consolidated statement of comprehensive income	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes	13 – 53

## **REPORT OF THE BOARD OF DIRECTORS**

The Board of Directors hereby submits its report together with the audited consolidated financial statements of Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2026.

## **INCORPORATION AND REGISTERED OFFICE**

The Company, holding license number 8, was incorporated as a public joint stock company by Royal Decree No. 13/81 dated 3 October 1981, issued by His Highness, the Ruler of Ras Al Khaimah. The registered office of the Company is P.O. Box 1492, Ras Al Khaimah, United Arab Emirates. The Company's shares are listed on Abu Dhabi Securities Exchange (ADX).

## **PRINCIPAL ACTIVITIES**

The principal activities of the Company and its subsidiaries (the "Group") are cements and hydraulic cements manufacturing, lime products, cement products and investing, establishing and managing similar activities.

## **FINANCIAL POSITION AND RESULTS**

The operating results and consolidated financial position of the Group are presented in the attached consolidated financial statements. The Group reported a profit of AED 37,424,470 for the year ended 31 March 2026 (for the fifteen-month period ended 31 March 2025: AED 45,511,148).


## **AUDITORS**


KPMG Lower Gulf Limited were appointed as the external auditors for the year ended 31 March 2026 and have expressed their willingness to continue in office, subject to reappointment at the forthcoming Annual General Meeting.

## **ACKNOWLEDGEMENTS**

The Board expresses its sincere appreciation to all shareholders, customers, business partners, government authorities, banks, financial institutions, and employees for their continued support, cooperation, and commitment, which have been instrumental to the Group's success.

On behalf of the Board,

  
Chairman

  
Chief Executive Officer

Date: 12 June 2026





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The Offices 5 at One Central  
Level 4, Office No: 04.01  
Sheikh Zayed Road, P.O. Box 3800  
Dubai, United Arab Emirates  
Tel. +971 (4) 4030300, www.kpmg.com/ae

## Independent auditors' report

### To the Shareholders of Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 March 2026, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the United Arab Emirates. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter – Comparative information

We draw attention to Note 26 to the consolidated financial statements which indicates that the comparative information presented as at and for the fifteen month period ended 31 March 2025 has been restated. Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Existence of Revenue

See Note 16 to the consolidated financial statements.

#### The key audit matter

Revenue represents a key performance indicator used by management and those charged with governance to assess the Group's financial performance and growth.

In accordance with ISAs, there is a presumed risk of fraud in relation to revenue recognition. This risk is particularly relevant for the Group in respect of revenue recognized during the last quarter of the financial year as, such transactions typically result in trade receivables that remain outstanding at the reporting date.

In contrast, a substantial portion of revenue recognized earlier in the financial year has been settled, thereby providing additional audit evidence regarding its existence. Revenue recorded during the last quarter, however, remains largely uncollected at year-end and, therefore is identified as a key audit matter as it requires increased audit focus.

#### How the matter was addressed in our audit

To address these risks, we performed the following procedures amongst others:

- We evaluated the appropriateness of the Group's accounting policies for revenue recognition with reference to the requirements of *IFRS 15 – Revenue from Contracts with Customers*.
- We obtained an understanding of the Group's revenue recognition processes and evaluated the design and implementation of relevant controls over recognition of revenue.
- We performed substantive procedures in respect of the revenue recognised during the last quarter of the financial year, on a sample basis by agreeing selected revenue transactions to supporting documentation, including sales invoices, delivery notes and shipping documents, to assess whether the transactions represented genuine sales to customers.
- We rolled out trade receivable confirmation at year end to a sample of customers. Where direct confirmations were received, we reconciled the responses to the underlying accounting records and investigated any exceptions identified. For trade receivable confirmations not received, we performed alternative audit procedures, which included examining subsequent cash receipts, delivery documentation, contracts and other supporting evidence to assess the existence and accuracy of the outstanding balances.

**Key Audit Matters (continued)**

<b>Existence of Revenue (continued)</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
	<ul style="list-style-type: none"> <li>• We verified sales return transactions recorded during the last quarter of the financial year and subsequent to the year end, on a sample basis by agreeing them to underlying supporting documentation.</li> <li>• We utilised data analytics tools to identify and examine journal entries posted to revenue accounts based on specific risk criteria, including test of journal entries selected based on the specific risk criteria.</li> <li>• We assessed the adequacy of the disclosures in respect of revenue in the consolidated financial statements against the requirements of IFRS Accounting Standards.</li> </ul>

**Other matter relating to comparative information**

The consolidated financial statements of the Group as at and for the fifteen-month period ended 31 March 2025 and the consolidated financial statements of the Group as at and for the year ended 31 December 2023 (from which the statement of financial position as at 1 January 2024 has been derived), excluding the adjustments described in Note 26 to the consolidated financial statements were audited by other auditors who expressed an unmodified opinion on those consolidated financial statements on 15 May 2025 and 3 February 2024, respectively.

As part of our audit of the consolidated financial statements as at and for the year ended 31 March 2026, we audited the adjustments described in Note 26 that were applied to restate the comparative information presented as at and for the fifteen month period ended 31 March 2025 and the statement of financial position as at 1 January 2024. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the fifteen month period ended 31 March 2025 or for the year ended 31 December 2023 (not presented herein) or to the consolidated statement of financial position as at 1 January 2024, other than with respect to the adjustments described in Note 26 to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 26 are appropriate and have been properly applied.

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Integrated Report (including Directors' Report), but does not include the consolidated financial statements and our auditors' report thereon. We obtained the Directors' Report prior to the date of this auditors' report, and we expect to obtain the remaining sections of the Integrated Report after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Group's financial reporting process.

## Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

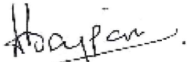
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021, as amended, we report that for the year ended 31 March 2026:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended;
- iii) the Group has maintained proper books of account;
- iv) the financial information included in the Directors' report is consistent with the books of account of the Group;
- v) as disclosed in note 29 to the consolidated financial statements, the Group has not purchased any shares during the year ended 31 March 2026;
- vi) note 23 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and
- vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 March 2026 any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended, or in respect of the Company, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 March 2026.

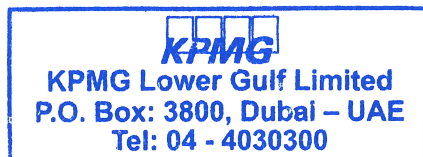
KPMG Lower Gulf Limited



Anurag Bajpai  
Registration No.: 5785  
Ras Al Khaimah, United Arab Emirates

Date: **13 JUN 2026**

KPMG Professional License No.: 113869



# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Consolidated statement of financial position

As at 31 March 2026

	Note	31 March 2026 AED	31 March 2025 AED (Restated)*	1 January 2024 AED (Restated)*
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4	385,546,257	410,940,497	440,226,087
Right-of-use asset	5	2,755,233	1,773,129	-
Investments at fair value through other comprehensive income (FVTOCI)	6	66,507,514	64,504,526	59,687,909
Term deposits	7	-	90,828,270	-
<b>Total non-current assets</b>		<b>454,809,004</b>	<b>568,046,422</b>	<b>499,913,996</b>
<b>Current assets</b>				
Inventories	8	80,073,527	70,481,055	79,864,006
Trade and other receivables	9	59,026,589	60,817,805	51,762,599
Term deposits	7	277,504,599	235,707,581	238,241,884
Cash and cash equivalents	10	114,382,537	14,332,971	13,067,097
<b>Total current assets</b>		<b>530,987,252</b>	<b>381,339,412</b>	<b>382,935,586</b>
<b>TOTAL ASSETS</b>		<b>985,796,256</b>	<b>949,385,834</b>	<b>882,849,582</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	11	500,157,000	500,157,000	500,157,000
Statutory reserve	12	128,450,429	124,707,982	120,156,867
Cumulative changes in fair value (FVTOCI)	6	(31,275,065)	(35,247,589)	(40,320,801)
Actuarial reserve	13	(703,310)	-	-
Retained earnings		284,478,848	257,154,621	216,242,607
<b>Total equity</b>		<b>881,107,902</b>	<b>846,772,014</b>	<b>796,235,673</b>
<b>Non-current liabilities</b>				
Employees' end of service benefits	13	10,723,513	10,190,077	10,171,837
Lease liabilities	5	2,056,678	1,420,394	-
Deferred tax liability	14	8,711	153,808	-
<b>Total non-current liabilities</b>		<b>12,788,902</b>	<b>11,764,279</b>	<b>10,171,837</b>
<b>Current liabilities</b>				
Trade and other payables	15	86,372,826	86,051,067	76,442,072
Lease liabilities	5	709,966	411,616	-
Current tax liability	14	4,816,660	4,386,858	-
<b>Total current liabilities</b>		<b>91,899,452</b>	<b>90,849,541</b>	<b>76,442,072</b>
<b>Total liabilities</b>		<b>104,688,354</b>	<b>102,613,820</b>	<b>86,613,909</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>985,796,256</b>	<b>949,385,834</b>	<b>882,849,582</b>

\* Refer note 26

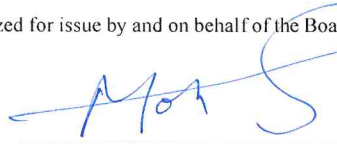
The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as of and for the year ended 31 March 2026.

The consolidated financial statements were approved and authorized for issue by and on behalf of the Board of Directors on 12 June 2026 and signed on its behalf by:



Chairman



Chief Executive Officer

The independent auditors' report on audit of the consolidated financial statements is set out on pages 2 to 7.



# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Consolidated statement of profit or loss

For the year ended 31 March 2026

	<i>Note</i>	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Revenue from contract with customers	<i>16</i>	<b>289,109,478</b>	341,165,243
Cost of sales	<i>17</i>	<b>(232,158,524)</b>	(276,836,709)
<b>Gross profit</b>		<b>56,950,954</b>	64,328,534
Selling, general and administrative expenses	<i>18</i>	<b>(31,635,114)</b>	(31,793,240)
Interest income	<i>7</i>	<b>17,379,086</b>	18,949,688
Finance cost	<i>19</i>	<b>(926,380)</b>	(863,374)
Provision for expected credit loss on trade receivables	<i>9(a)</i>	-	(1,325,000)
Other income	<i>20</i>	<b>304,071</b>	606,147
<b>Profit before tax</b>		<b>42,072,617</b>	49,902,755
Tax expense	<i>14</i>	<b>(4,648,147)</b>	(4,391,607)
<b>Profit for the year / period</b>		<b>37,424,470</b>	45,511,148
<b>Earnings per share (EPS)</b>			
<b>Basic and diluted earnings per share</b>	<i>21</i>	<b>0.075</b>	0.091

The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

The independent auditors' report on audit of the consolidated financial statements is set out on pages 2 to 7.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Consolidated statement of comprehensive income

For the year ended 31 March 2026

	<i>Note</i>	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Profit for the year / period		<b>37,424,470</b>	45,511,148
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Net changes in fair value of investments at fair value through other comprehensive income (FVTOCI)	6	<b>8,117,604</b>	5,179,001
Tax expense	14	<b>(499,736)</b>	(153,808)
Actuarial loss on defined benefit obligations		<b>(703,310)</b>	-
		-----	-----
Total other comprehensive income for the year / period		<b>6,914,558</b>	5,025,193
		-----	-----
<b>Total comprehensive income for the year / period</b>		<b>44,339,028</b>	<b>50,536,341</b>
		=====	=====

The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

The independent auditors' report on audit of the consolidated financial statements is set out on pages 2 to 7.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Consolidated statement of changes in equity

For the year ended 31 March 2026

	Share capital AED	Statutory reserve AED	Cumulative changes in fair value (FVTOCI) AED	Actuarial reserve AED	Retained earnings AED	Total AED
Balance at 1 January 2024	500,157,000	120,156,867	(40,320,801)	-	216,242,607	796,235,673
<i>Total comprehensive income for the period</i>						
Profit for the period	-	-	-	-	45,511,148	45,511,148
Other comprehensive income for the period	-	-	5,025,193	-	-	5,025,193
	-----	-----	-----	-----	-----	-----
	-	-	5,025,193	-	45,511,148	50,536,341
	-----	-----	-----	-----	-----	-----
<i>Other changes in equity</i>						
Transfer to retained earnings upon disposal of investments held at FVTOCI (refer note 6)	-	-	48,019	-	(48,019)	-
Transfer to statutory reserve	-	4,551,115	-	-	(4,551,115)	-
	-----	-----	-----	-----	-----	-----
Balance at 31 March 2025	500,157,000	124,707,982	(35,247,589)	-	257,154,621	846,772,014
	=====	=====	=====	=====	=====	=====
Balance at 1 April 2025	500,157,000	124,707,982	(35,247,589)	-	257,154,621	846,772,014
<i>Total comprehensive income for the year</i>						
Profit for the year	-	-	-	-	37,424,470	37,424,470
Other comprehensive income for the year	-	-	7,617,868	(703,310)	-	6,914,558
	-----	-----	-----	-----	-----	-----
	-	-	7,617,868	(703,310)	37,424,470	44,339,028
	-----	-----	-----	-----	-----	-----
<i>Other changes in equity</i>						
Transfer to retained earnings upon disposal of investments held at FVTOCI (refer note 6)	-	-	(3,645,344)	-	3,645,344	-
Transfer to statutory reserve	-	3,742,447	-	-	(3,742,447)	-
<i>Transactions with the shareholders of the Company</i>						
Dividend (refer note 22)	-	-	-	-	(10,003,140)	(10,003,140)
	-----	-----	-----	-----	-----	-----
<b>Balance at 31 March 2026</b>	<b>500,157,000</b>	<b>128,450,429</b>	<b>(31,275,065)</b>	<b>(703,310)</b>	<b>284,478,848</b>	<b>881,107,902</b>
	=====	=====	=====	=====	=====	=====

The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Consolidated statement of cash flows

For the year ended 31 March 2026

	Note	For the year ended 31 March 2026 AED	For the fifteen-month period ended 31 March 2025 AED
<b>Operating activities</b>			
Profit before tax		42,072,617	49,902,755
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment	4	34,553,447	42,753,844
Depreciation on right-of-use asset	5	516,860	442,979
Gain on sale of property, plant and equipment		-	(128,928)
Dividend income	20	(129,731)	(55,729)
Interest income	7	(17,379,086)	(18,949,687)
Interest on lease liabilities	19	145,020	146,302
Provision for employees' end of service benefits	13	1,808,773	1,230,397
Provision for expected credit losses	9(a)	-	1,325,000
Reversal of allowance for slowing moving inventories	8	-	(4,877,462)
Other receivables written off		-	132,411
		-----	-----
<b>Operating profit before working capital changes</b>		<b>61,587,900</b>	<b>71,921,882</b>
<i>Adjustment for changes in working capital:</i>			
Change in inventories		(9,592,472)	14,260,413
Change in trade and other receivables		6,929,816	(7,120,984)
Change in trade and other payables		744,309	10,700,625
		-----	-----
<b>Operating profit after working capital changes</b>		<b>59,669,553</b>	<b>89,761,936</b>
Employees' end-of-service benefits paid	13	(1,978,647)	(1,212,157)
Tax paid	14	(4,412,770)	-
		-----	-----
<b>Net cash generated from operating activities</b>		<b>53,278,136</b>	<b>88,549,779</b>
		-----	-----
<b>Investing activities</b>			
Acquisition of property, plant and equipment	4	(9,159,207)	(13,468,254)
Proceeds from sale of property, plant and equipment		-	128,928
Sale proceeds of investments at fair value through other comprehensive income	6	6,114,616	357,635
Interest income received		11,790,078	15,558,054
Dividend received	20	129,731	55,729
Term deposits invested during the year / period	7	(299,771,148)	(408,897,861)
Term deposits redeemed during the year / period	7	348,802,400	320,603,894
		-----	-----
<b>Net cash generated from / (used in) investing activities</b>		<b>57,906,470</b>	<b>(85,661,875)</b>
		-----	-----
<b>Financing activities</b>			
Dividend paid		(10,425,690)	(1,091,630)
Principal paid against lease liabilities	5	(564,330)	(384,098)
Interest paid against lease liabilities	5	(145,020)	(146,302)
		-----	-----
<b>Cash used in financing activities</b>		<b>(11,135,040)</b>	<b>(1,622,030)</b>
		-----	-----
<b>Net increase in cash and cash equivalents</b>		<b>100,049,566</b>	<b>1,265,874</b>
		-----	-----
Cash and cash equivalents at the beginning of the year / period		14,332,971	13,067,097
		-----	-----
<b>Cash and cash equivalents at the end of the year / period</b>	10	<b>114,382,537</b>	<b>14,332,971</b>
		=====	=====

The accompanying notes from 1 to 30 are an integral part of these consolidated financial statements.

The independent auditors' report on audit of the consolidated financial statements is set out on pages 2 to 7.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Notes

*(forming part of the consolidated financial statements)*

### 1 Corporate information

Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C. (a Public Joint Stock Company), Ras Al Khaimah (the "Company") having license number 8 was incorporated as a public joint stock company by Royal Decree Number 13/81 on 3 October 1981 issued by His Highness, The Ruler of Ras Al Khaimah. The address of the Company's registered office is P.O. Box 1492, Ras Al Khaimah, United Arab Emirates.

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

On 27 May 2024, UltraTech Cement Middle East Investments Limited (an existing shareholder or acquirer or parent company) proposed to acquire additional 31.6% of the Company's issued and paid-up capital. On 24 June 2024, UltraTech Cement Middle East Investments Limited received approval from Securities & Commodities Authority (SCA) to amend the offer to reduce the acquisition to 25% of the issued and paid-up share capital of the Company. As of that date, the existing shareholding of the acquirer of the Company's issued and paid-up capital was 29.39%. In the annual general meeting held on 9 July 2024, the shareholders approved the proposal of the existing shareholder to increase their shareholding to 54.39%. On 6 November 2024, the acquirer purchased additional shares representing 11.55% of the Company's issued and paid-up capital. As of 31 March 2026 and 31 March 2025, the shareholding of the acquirer of the Company's issued and paid-up capital stood at 65.94%.

The Parent Company is owned by UltraTech Cements Limited, which is the Intermediate Parent Company. The Ultimate Parent Company and Ultimate Controlling Party of the Group is Grasim Industries Ltd., a public listed company registered in India.

Details of the Subsidiaries as at 31 March 2026 and 31 March 2025 are as follows:

<b>Name of Subsidiary</b>	<b>Shareholding (%)</b>	<b>Country of incorporation</b>	<b>Principal activities</b>
Ras Al Khaimah Lime Co. Noora LLC	100%	Ras Al Khaimah U.A.E.	Manufacturing lime products.
Modern Block Factory Establishment	100%	Ras Al Khaimah U.A.E.	Manufacturing concrete blocks, interlock tiles and cement products and Pasco and Kerbstone works.

### 2 Basis of preparation and material accounting policies

#### 2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards issued by International Accounting Standards Board ("IFRS Accounting Standards"), and in compliance with the applicable provisions of the Company's Articles of Association and the Federal Decree-Law No. (32) of 2021, as amended.

The consolidated financial statements are prepared on a historical cost basis except for Employees' end of service benefits and investments carried at fair value. .

Notes *(continued)*

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

**2.1 Basis of preparation *(continued)***

*Functional and presentation currency*

The consolidated financial statements have been presented in United Arab Emirates Dirhams (“AED”), which is the functional currency of the Company and its subsidiaries (the “Group”).

*Financial year*

At the Annual General Meeting held on 9 March 2024, the shareholders of the Group approved a change in the financial year end to align with the financial year end of the Parent Company. The Group’s financial year now runs from 1 April to 31 March, replacing the previous calendar year cycle of 1 January to 31 December. As a result of this change, the Group’s consolidated financial statements for the previous year were prepared for a fifteen-month period, covering 1 January 2024 to 31 March 2025, to accommodate the transition.

**Changes in accounting policies and disclosures**

**(a) New standards, interpretations and amendments adopted by the Group**

No new standards, interpretations and amendments are adopted by the Group during the year.

**(b) Standards, amendments and interpretations in issue but not effective**

The following amended standards and interpretations effective for the financial year beginning on or after 1 January 2026 are not expected to have a significant impact on the Group's consolidated financial statements:

	<i>Effective date</i>
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Annual Improvements to IFRS Accounting Standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS7)	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Subsidiaries with Public Accountability: Disclosures (IFRS 19)	1 January 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1 January 2027
Presentation and Disclosure in Financial Statements (IFRS 18) **	Effective date
Sales or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associate and Joint Ventures)	deferred indefinitely
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures*	Effective date deferred indefinitely

\*effective upon adoption by applicable regulatory authority

\*\*IFRS 18 Presentation and Disclosure in Financial Statements - The IASB issued IFRS 18 Presentation and Disclosure in Financial Statements in April 2024. IFRS 18 aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from 1 January 2027. IFRS 18 replaces IAS 1 *Presentation of Financial Statements* and will affect the presentation and disclosure of financial performance in the Group’s consolidated financial statements when adopted.

Notes *(continued)*

## 2 Basis of preparation and material accounting policies *(continued)*

### 2.2 Basis of consolidation

These consolidated financial statements comprise financial statements of the Company and its subsidiaries for the year ended 31 March 2026. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. All inter-company transactions, and any unrealised income and expenses arising from the inter-company transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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

## 3 Material accounting policy information

The material accounting policy information used in the preparation of these consolidated financial statements are set out below.

### Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue from sale of goods because it typically controls the goods or services before transferring them to the customer.

The Group recognises revenue from contracts with customers based on a five steps model as set out in IFRS 15:

- Step 01 Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 02 Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 03 Determine the transaction price: The transaction price is the amount of consideration the Group expects to be entitled to in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 04 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled to in exchange for satisfying each performance obligation.
- Step 05 Recognise revenue when (or as) the Group satisfies a performance obligation.

### *Sale of goods*

Revenue from sale of goods is recognised and invoices are generated at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

The payment is generally due within 90 to 150 days *(2025: 90 to 150 days)* from invoice date.

## Notes (continued)

### 3 Material accounting policy information (continued)

#### Revenue recognition (continued)

##### Other income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

#### Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the consolidated statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

Building and improvements	5 to 20 years
Plant and machinery	1 to 30 years
Vehicles	1 to 14 years
Tools, equipment, furniture and fixtures	1 to 20 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment (excluding land and capital work in progress) are reviewed at each financial year end, and adjusted prospectively if, appropriate.

#### Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials - purchase cost on a weighted average basis
- Finished goods and work in progress - cost of direct materials and labour and a proportion of manufacturing overheads
- Spare parts, bags, fuel and lubricants - purchase cost on a weighted average basis

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## Notes (continued)

### 3 Material accounting policy information (continued)

#### 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.

#### i) Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income (FVTOCI) and Fair Value Through Profit or Loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVTOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include bank balances, term deposits, trade and other receivables and investments carried at FVTOCI.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following categories:

- Financial assets at amortised cost
- Financial assets at FVTOCI with recycling of cumulative gains and losses
- Financial assets designated at FVTOCI with no recycling of cumulative gains and losses upon derecognition
- Financial assets at FVTPL

Notes *(continued)*

**3 Material accounting policy information** *(continued)*

**Financial instruments** *(continued)*

**i) Financial assets** *(continued)*

**Subsequent measurement** *(continued)*

*Financial assets at amortised cost*

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes bank balances, term deposits and trade and other receivables.

*Financial assets designated at FVTOCI (equity instruments)*

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

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

This category includes listed equity investments which the Group had irrevocably elected to classify at FVTOCI. Dividends on listed equity investments are recognised as investment income in the consolidated statement of profit or loss when the right of payment has been established.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Notes *(continued)*

**3 Material accounting policy information** *(continued)*

**Financial instruments** *(continued)*

**i) Financial assets** *(continued)*

**Derecognition** *(continued)*

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**Impairment of financial assets**

The Group recognises an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECL's at each reporting date. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. ECLs are recognised in the consolidated statement of profit or loss.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**ii) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and lease liability.

Notes *(continued)*

**3 Material accounting policy information *(continued)***

**Financial instruments *(continued)***

**ii) Financial liabilities *(continued)***

**Subsequent measurement**

The measurement of financial liabilities depends on their classification as described below:

- Financial liabilities at FVTPL
- Financial liabilities at amortised cost (loans and borrowings)

*Financial liabilities at amortised cost (loans and borrowings)*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

This category generally applies to trade and other payables and lease liability.

**Derecognition**

A financial liability is derecognised 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

**iii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes *(continued)*

**3 Material accounting policy information** *(continued)*

**Impairment of non-financial assets** *(continued)*

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a year of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGUs recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes *(continued)*

**3 Material accounting policy information** *(continued)*

**Fair value measurement** *(continued)*

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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 in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The Group measures financial assets such as investment in quoted securities at fair value at each balance sheet date.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in notes 6 and 25.

The Group presents assets and liabilities in consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting year, or
- There is no right to defer the settlement of the liability for at least twelve months after the reporting year

The Group classifies all other liabilities as non-current.

## Notes *(continued)*

### 3 **Material accounting policy information** *(continued)*

#### **Cash and cash equivalents**

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

#### **Dividend**

The Group recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the Company's Article of Association, a distribution is authorised when it is approved by the shareholders and in accordance with the rules, resolutions and circulations issued by the Securities and Commodities Authority.

#### **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss net of any reimbursement.

#### **Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

#### **Earnings per share**

Basic earnings per share is calculated by dividing the profit from continuing operations attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to future expected conversion of all dilutive potential ordinary shares. As the Group does not have any dilutive potential, the basic and diluted earnings per share are the same.

#### **Employee benefits**

##### *Defined contribution plan*

UAE national employees of the Group are members of the Government-managed retirement pension and social security benefit scheme pursuant to the applicable Federal Labour Law. The Group is required to contribute 12.5% of the "contribution calculation salary" of payroll costs to the retirement benefit scheme to fund the benefits. The employees and the Government contribute 5% and 2.5% of the "contribution calculation salary" respectively, to the scheme. For the new employees after 31 October 2023, employee contribution has increased from 5% to 11%. The only obligation of the Group with respect to the retirement pension and social security scheme is to make the specified contributions (12.5%). The contributions are charged to profit or loss.

Notes *(continued)*

**3 Material accounting policy information** *(continued)*

**Employee benefits** *(continued)*

*Provision for employees' end of service benefits*

The liability recognized in the statement of financial position is the present value of the defined benefit obligations as at the statement of financial position date.

The liability in respect of all obligations under defined benefit schemes is calculated annually by an independent actuary using the projected unit credit method.

*Actuarial gain and losses*

Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income with no subsequent recycling through the profit and loss account.

*Past service cost*

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment or curtailment. The Company recognises past service cost as an expense when the plan amendment or curtailment occurs.

Gains and losses on re-measurement of the liability for compensated absences are recognized in the statement of profit or loss and other comprehensive income immediately.

**Lease**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liability to make lease payments and right-of-use asset representing the right to use the underlying assets.

*i) Right-of-use asset*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability.

The cost of right-of-use asset includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use asset is also subject to impairment.

Notes *(continued)*

**3 Material accounting policy information** *(continued)*

**Lease** *(continued)*

*Group as a lessee (continued)*

ii) *Lease liability*

At the commencement date of the lease, the Group recognises lease liability measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Taxes**

*Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes (continued)

**3 Material accounting policy information (continued)**

**Taxes (continued)**

*Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted as at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Value added tax**

Expenses and assets are recognised net of the amount of value added tax (VAT), except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

## Notes *(continued)*

### **3 Material accounting policy information *(continued)***

#### **Foreign currencies**

Transactions in foreign currencies are initially recorded at the spot rates at the date the transaction qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the spot rates of exchange at the reporting date. All differences are taken to the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

#### **Events after the reporting period**

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

### **3.1 Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying 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.

Notes *(continued)*

**3 Material accounting policy information *(continued)***

**3.1 Significant Accounting Judgements, Estimates and Assumptions *(continued)***

**Judgements**

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

***Classification of investments***

Management designates at the time of acquisition of securities whether these should be classified as at FVTOCI or FVTPL. In judging whether investments in securities are as at FVTOCI or FVTPL, management has considered the detailed criteria for determination of such classification as set out in IFRS 9, and accordingly management is satisfied that its investments in securities are appropriately classified.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

***Provision for expected credit losses of trade receivables***

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due..

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 9.

Notes *(continued)*

**3 Material accounting policy information *(continued)***

**3.1 Significant Accounting Judgements, Estimates and Assumptions *(continued)***

***Existence of inventories***

Inventories comprise of purchased raw materials (limestone, sand, slag, gypsum, iron ore and bauxite) and work in progress (mainly clinker which are stored in purpose built shed and stockpiles). Since the weighing of these inventories is not practicable, management assesses the quantities on hand at the year-end by obtaining measurements of the stockpiles and converting these measurements to unit of volumes by using the angle of repose and the bulk density. In doing so, management appoints an independent surveyor to estimate the quantities by using certain scientific systematic measurements calculations and applying the density conversion methods which are applied for similar stock in the cement industry.

***Estimation of Net Realisable Value (“NRV”) of inventories***

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

***Fair value of financial instruments***

The management uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 25 provides detailed information about the key assumptions used in the determination of the fair value of financial instruments, as well as the detailed sensitivity analysis for these assumptions.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 4 Property, plant and equipment

	Lands AED	Buildings and improvements AED	Plant and machinery AED	Vehicles AED	Tools, equipment, furniture and fixtures AED	Capital work- in-progress AED	Total AED
<b>Cost</b>							
At 1 January 2024	21,157,893	34,118,579	756,564,906	23,616,320	23,632,177	2,162,339	861,252,214
Additions	-	227,900	1,624,627	1,544,831	1,049,649	9,021,247	13,468,254
Transfers	-	-	7,622,690	-	-	(7,622,690)	-
Disposals	-	-	-	(432,000)	-	-	(432,000)
At 31 March 2025	21,157,893	34,346,479	765,812,223	24,729,151	24,681,826	3,560,896	874,288,468
Additions	-	19,500	310,311	636,000	598,836	7,594,560	9,159,207
Transfers	-	-	6,269,943	-	58,000	(6,327,943)	-
<b>At 31 March 2026</b>	<b>21,157,893</b>	<b>34,365,979</b>	<b>772,392,477</b>	<b>25,365,151</b>	<b>25,338,662</b>	<b>4,827,513</b>	<b>883,447,675</b>
<b>Accumulated depreciation</b>							
At 1 January 2024	-	21,823,405	358,158,761	22,026,824	19,017,137	-	421,026,127
Depreciation charge (refer note below)	-	1,653,700	38,872,089	524,034	1,704,021	-	42,753,844
Disposals	-	-	-	(432,000)	-	-	(432,000)
At 31 March 2025	-	23,477,105	397,030,850	22,118,858	20,721,158	-	463,347,971
Depreciation charge (refer note below)	-	1,320,843	31,293,947	563,176	1,375,481	-	34,553,447
<b>At 31 March 2026</b>	<b>-</b>	<b>24,797,948</b>	<b>428,324,797</b>	<b>22,682,034</b>	<b>22,096,639</b>	<b>-</b>	<b>497,901,418</b>
Net carrying value							
<b>At 31 March 2026</b>	<b>21,157,893</b>	<b>9,568,031</b>	<b>344,067,680</b>	<b>2,683,117</b>	<b>3,242,023</b>	<b>4,827,513</b>	<b>385,546,257</b>
At 31 March 2025	21,157,893	10,869,374	368,781,373	2,610,293	3,960,668	3,560,896	410,940,497

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes *(continued)*

## 4 Property, plant and equipment *(continued)*

Depreciation charge for the year / period has been allocated as follows:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Cost of sales <i>(refer note 17)</i>	<b>34,089,898</b>	42,169,634
Selling, general and administrative expenses <i>(refer note 18)</i>	<b>463,549</b>	584,210
	<b>34,553,447</b>	42,753,844

At 31 March 2026, the cost of property, plant and equipment amounting to AED 86,643,376 *(31 March 2025: AED 83,252,271)* have been fully depreciated.

Capital work-in-progress mainly relates to upgrades to kiln and raw mill and expected to be available for use by 2027.

## 5 Right-of-use asset and lease liabilities

The Group has entered into a lease agreement for a land and a staff accommodation which are located in the UAE. *(refer note 3)*.

Right-of-use asset is amortized on a straight-line basis over the period of lease term.

a) *Set out below are the carrying amounts of right-of-use assets and movement during the year / period:*

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	<b>1,773,129</b>	-
Additions	<b>1,498,964</b>	2,216,108
Depreciation charge <i>(refer note 18)</i>	<b>(516,860)</b>	(442,979)
At the end of the year / period	<b>2,755,233</b>	1,773,129

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 5 Right-of-use asset and lease liabilities (continued)

b) Set out below are the carrying amounts of lease liabilities and movement during the year / period:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	<b>1,832,010</b>	-
Additions	<b>1,498,964</b>	2,216,108
Interest charge	<b>145,020</b>	146,302
Payments	<b>(709,350)</b>	(530,400)
	-----	-----
At the end of the year / period	<b>2,766,644</b>	1,832,010
	=====	=====

c) Maturity analysis of lease liabilities is as follows:

	<b>2026 AED</b>	2025 AED
Current	<b>709,966</b>	411,616
Non-current	<b>2,056,678</b>	1,420,394
	-----	-----
	<b>2,766,644</b>	1,832,010
	=====	=====

d) Following are the amounts recognised in consolidated statement of profit or loss:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Depreciation on right-of-use asset (refer note 18)	<b>516,860</b>	442,979
Interest expense on lease liabilities (refer note 19)	<b>145,020</b>	146,302
	=====	=====

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 6 Investments at fair value through other comprehensive income (FVTOCI)

	2026 AED	2025 AED
<b>Equity shares</b>		
Quoted shares – UAE	85,682,940	85,682,940
Unquoted shares – UAE	12,080,000	12,080,000
Quoted – Kuwait	19,639	1,835,367
	-----	-----
Gross investments at FVTOCI	97,782,579	99,598,307
Less: accumulated fair value reserve, net*	(31,275,065)	(35,093,781)
	-----	-----
	<b>66,507,514</b>	<b>64,504,526</b>
	=====	=====

\* Accumulated fair value reserve is net of deferred tax.

Movement in investment securities is as follows:

	For the year ended 31 March 2026 AED	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	64,504,526	59,687,909
Change in fair value of investments carried at FVTOCI	8,117,604	5,179,001
Disposal during the year / period	(6,114,616)	(362,384)
	-----	-----
At the end of the year / period	<b>66,507,514</b>	<b>64,504,526</b>
	=====	=====

The cumulative change in fair value of investments carried at FVTOCI amounted to negative AED 31,275,065 as at 31 March 2026 (31 March 2025: negative AED 35,093,781) and is shown under equity. Furthermore, during the year ended 31 March 2026, the Group has sold investments having cost of AED 1,815,732 against the proceeds of AED 6,114,616 and has accrued tax of AED 644,833 (refer note 14).

Investments carried at FVTOCI include investments in quoted and unquoted equity shares. The Group holds non-controlling interests in these companies. These investments were irrevocably designated at FVTOCI as the Group considers these investments to be strategic in nature.

Investments in quoted equity shares in UAE are related to investment in financial services sector.

Investments in unquoted equity shares amounts to AED 12,080,000 (31 March 2025: AED 12,080,000). These investee entities do not have any operational activities and their fair value is assessed to be nil as at 31 March 2026 (31 March 2025: Nil).

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes *(continued)*

## 7 Term deposits

	2026 AED	2025 AED <i>(Restated)*</i>
Term deposits with financial institutions	<b>386,459,715</b>	333,783,151
Less: classified as cash and cash equivalent **	<b>(108,955,116)</b>	(7,247,300)
	<b>277,504,599</b>	326,535,851

*Maturity analysis of term deposits is as follows:*

Non-current	-	90,828,270
Current ***	<b>277,504,599</b>	235,707,581
	<b>277,504,599</b>	326,535,851

\* Refer note 26

\*\* Term deposits having maturity less than or up to three months from the date of placement are classified as cash and cash equivalent *(refer note 10)*.

\*\*\* Term deposits with maturity of less than 12 months from the reporting date are classified as current.

Term deposits carry interest ranging from 3% to 5.4% per annum and are placed with commercial banks. During the year, the Group has recognized the interest income on term deposits amounting to AED 17,379,086 *(For the fifteen-month period ended 31 March 2025: AED 18,949,688)*.

Term deposits of AED 2,688,270 *(31 March 2025: AED 2,688,270)* is held under lien with a commercial bank against bank guarantee given to one of the suppliers.

**Geographical detail** *(includes deposits classified as cash and cash equivalents)*

	2026 AED	2025 AED
In UAE	<b>200,661,844</b>	239,270,996
Outside UAE	<b>185,797,871</b>	94,512,155
	<b>386,459,715</b>	333,783,151

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes *(continued)*

## 8 Inventories

	2026 AED	2025 AED
Finished goods	9,016,881	4,043,932
Raw materials	8,953,233	9,512,048
Work in progress	17,196,331	21,958,940
Bags, fuel and lubricants	18,547,420	10,124,366
Spare parts	39,691,211	38,173,318
	-----	-----
	93,405,076	83,812,604
Less: Write-down of inventory items	(13,331,549)	(13,331,549)
	-----	-----
	<u>80,073,527</u>	<u>70,481,055</u>

*Movement in write-down of inventories:*

	For the year ended 31 March 2026 AED	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	13,331,549	18,209,011
Reversal during the year / period	-	(4,877,462)
	-----	-----
At the end of the year / period	<u>13,331,549</u>	<u>13,331,549</u>

## 9 Trade and other receivables

	2026 AED	2025 AED
Trade receivables - third parties	29,535,247	34,666,159
Trade receivables - related parties <i>(refer note 23)</i>	17,152,040	21,685,880
	-----	-----
	46,687,287	56,352,039
Less: allowance for expected credit losses	(4,941,295)	(4,941,295)
	-----	-----
	41,745,992	51,410,744
Accrued interest receivable	12,440,656	6,851,648
Advance to suppliers	1,049,504	251,822
Prepaid expenses	1,865,979	963,887
Deposits and other receivables	1,924,458	1,339,704
	-----	-----
	<u>59,026,589</u>	<u>60,817,805</u>

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes *(continued)*

## 9 Trade and other receivables *(continued)*

a) Movement in allowance for expected credit losses:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	4,941,295	3,616,295
Charge during the year / period	-	1,325,000
	<u>4,941,295</u>	<u>4,941,295</u>

b) The average credit period on sale of goods is 90 days *(2025: 90 days)*.

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

d) Analysis of trade receivables are set out below:

	<b>2026 AED</b>	2025 AED
Secured against unconditional bank guarantees	6,282,754	6,516,796
Secured against letter of credit	1,356,215	2,496,308
Open credit	39,048,318	47,338,935
	<u>46,687,287</u>	<u>56,352,039</u>

e) Trade receivables amounting to AED 25,929,914 *(31 March 2025: AED 30,311,419)* is due from the Group's five largest customers representing 55% *(31 March 2025: 54%)* of the total outstanding balance at 31 March 2026.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 9 Trade and other receivables (continued)

f) Aging analysis of gross trade receivables from invoice date is as follows:

	Not due AED	0-90 days AED	91-180 days AED	181-365 days AED	Above 365 days AED	Total AED
<i>31 March 2026</i>						
Gross receivables	35,388,974	5,865,819	522,075	12,124	4,898,295	46,687,287
Provision for expected credit loss	-	(26,741)	(119,950)	(10,134)	(4,784,470)	(4,941,295)
Net receivables	35,388,974	5,839,078	402,125	1,990	113,825	41,745,992
% of expected credit loss	0%	0%	23%	84%	98%	
<i>31 March 2025</i>						
Gross receivables	46,603,214	4,931,650	285,168	8,174	4,523,833	56,352,039
Provision for expected credit loss	-	(161,485)	(248,535)	(8,174)	(4,523,101)	(4,941,295)
Net receivables	46,603,214	4,770,165	36,633	-	732	51,410,744
% of expected credit loss	0%	3%	87%	100%	100%	

## 10 Cash and cash equivalents

	2026 AED	2025 AED (Restated)*
Cash in hand	278,040	432,507
Cash at bank	3,383,323	1,962,323
Call deposits	1,766,058	4,690,841
	5,427,421	7,085,671
Term deposits classified as cash and cash equivalent (refer note 7)	108,955,116	7,247,300
	114,382,537	14,332,971

\* refer note 26

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

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes *(continued)*

## 10 Cash and cash equivalents *(continued)*

### Geographical detail

	2026 AED	2025 AED
UAE	3,587,158	5,407,818
Others	1,840,263	1,677,853
	<u>5,427,421</u>	<u>7,085,671</u>
Cash and cash equivalents <i>(excluding term deposits)</i>	<u>5,427,421</u>	<u>7,085,671</u>

## 11 Share capital

	2026 AED	2025 AED
Issued and fully paid 500,157,000 ordinary shares of AED 1 each <i>(2025: 500,157,000 ordinary shares of AED 1 each)</i>	<u>500,157,000</u>	<u>500,157,000</u>

## 12 Statutory reserve

In accordance with the Federal Decree-Law No. (32) of 2021 and the Company's Articles of Association, 10% of the profit for each year is transferred to the statutory reserve. During the year, the AED 3,742,447 *(31 March 2025: AED 4,551,115)* was transferred to statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

## 13 Employees' end of service benefits

The Group operates an unfunded defined benefit plan for qualifying employees. Under the plans, the employees are entitled to retirement benefits based on the final basic salary. No other post-retirement benefits are provided to these employees.

Movements in the present value of defined benefit obligation are as follows:

	For the year ended 31 March 2026 AED	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	10,190,077	10,171,837
Current service cost	1,373,741	895,533
Interest cost	435,032	334,864
Actuarial loss	703,310	-
Payments made during the year / period	(1,978,647)	(1,212,157)
	<u>10,723,513</u>	<u>10,190,077</u>
At the end of the year / period	<u>10,723,513</u>	<u>10,190,077</u>

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 13 Employees' end of service benefits (continued)

Expense recognized in profit or loss as part of staff costs:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Service cost	1,373,741	895,533
Interest cost	435,032	334,864
	<u>                    </u>	<u>                    </u>

Loss recognized in other comprehensive income:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Remeasurement of defined benefit obligation	703,310	-
	<u>                    </u>	<u>                    </u>

Employee benefit plan exposes the Group to the following risks:

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations, using the projected unit credit method, in respect of employees' end-of-service benefits payable under the respective country laws. Under this method, an assessment has been made of an employee's expected service life and the expected basic salary as at the date of leaving the service. The principal assumptions used for the purposes actuarial valuation are as follows:

	<b>31 March 2026 AED</b>	31 March 2025 AED
Discount Rate	4.43%	4.51%
Salary Escalation Rate	3.00%	3.00%
Leaving Service Rate	3.15%	3.15%
	<u>                    </u>	<u>                    </u>

Sensitivities:

	<b>Discount rate</b>	<b>Salary escalation rate</b>	<b>Leaving service rate</b>
<i>As at 31 March 2026</i>			
Increase by 100 bps	(831,245)	994,760	201,109
Decrease by 100 bps	990,435	(850,052)	(191,578)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>As at 31 March 2025</i>			
Increase by 100 bps	(668,211)	1,141,433	518,917
Decrease by 100 bps	1,135,945	(687,723)	123,689
	<u>                    </u>	<u>                    </u>	<u>                    </u>

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 14 Income tax

The Group recognises income tax expense using the tax rate that would be applicable to the taxable income based on management's estimate. Following the enactment of the UAE Domestic Minimum Top-up Tax ("DMTT") with effect from 1 January 2025, the Group has recognised an additional top-up tax expense to ensure compliance with 15% UAE Domestic Minimum Top-up Tax regulation. The Group falls within the scope of DMTT based on the applicable revenue threshold of the Ultimate Parent Company.

### a) Recognized in the statement of profit or loss and statement of comprehensive income

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
<b>Consolidated statement of profit or loss</b>		
Current tax expense	4,197,739	4,391,607
Global minimum top-up tax	450,408	-
	<u>4,648,147</u>	<u>4,391,607</u>
<b>Consolidated statement of other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Current tax expense / (income)	644,833	(4,749)
Deferred tax (income) / expense	(145,097)	153,808
	<u>499,736</u>	<u>149,059</u>
	<u>5,147,883</u>	<u>4,540,666</u>

### b) Effective tax reconciliation

The following is the tax reconciliation of income taxes calculated at the applicable tax rate with the income tax expenses.

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Profit before tax	42,072,617	49,902,755
Corporate income tax at the income tax rate – 9%	3,786,535	4,491,248
Tax on exempt income	(101,250)	(101,250)
DMTT tax for the year / period*	450,408	-
Tax on disallowed expenses	512,454	1,609
	<u>4,648,147</u>	<u>4,391,607</u>
Effective tax rate	<u>11%</u>	<u>8.8%</u>

\*DMTT tax is charged back by the Parent Company.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 14 Income tax (continued)

### c) Movement in the current tax liability:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	4,386,858	-
Current tax expense charged in the statement of profit or loss	4,648,147	4,391,607
Current tax expense charged in the statement of other comprehensive income	644,833	(4,749)
DMTT tax transferred to related party balances	(450,408)	-
Tax paid during the year / period	(4,412,770)	-
	<u>4,816,660</u>	<u>4,386,858</u>

### d) Movement in the deferred tax liability:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
At the beginning of the year / period	153,808	-
Deferred tax (income) / expense charged in other comprehensive income	(145,097)	153,808
	<u>8,711</u>	<u>153,808</u>

Deferred tax is recognised on changes in the fair value of investments classified as FVTOCI.

### e) Status of prior year returns:

The Group's assessment for the tax year 2025 have not yet been finalized with the Federal Tax Authority at the Ministry of Finance. Management of the Group believe that additional taxes, if any in respect of open tax years, would not be significant to the Group's consolidated financial position as at 31 March 2026.

## 15 Trade and other payables

	<b>2026 AED</b>	2025 AED
Trade payables	26,254,654	23,769,043
Dividend payable	31,035,586	31,458,136
Advance from customers	5,252,213	6,122,576
Accrued expenses and other payables	23,830,373	24,701,312
	<u>86,372,826</u>	<u>86,051,067</u>

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 16 Revenue from contract with customers

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Sale of goods – <i>point in time</i>	<b>289,109,478</b>	341,165,243
	=====	=====
<b>Geographical market</b>		
Within UAE	<b>144,629,744</b>	149,310,516
Outside UAE	<b>144,479,734</b>	191,854,727
	-----	-----
	<b>289,109,478</b>	341,165,243
	=====	=====
<b>Contract balances</b>		
	<b>2026</b>	2025
	<b>AED</b>	<b>AED</b>
<b>Assets</b>		
Trade accounts receivables – net ( <i>refer note 9</i> )	<b>46,687,287</b>	56,352,039
<b>Liabilities</b>		
Advance from customers ( <i>refer note 15</i> )	<b>5,252,213</b>	6,122,576
	=====	=====

Advances from customers outstanding as at 31 March 2025 amounting to AED 6,122,576 has been recognised as revenue from contracts with customers during the current year (*fifteen-month period ended 31 March 2025: outstanding as at 31 December 2023 amounting to AED 4,133,595*).

## 17 Cost of sales

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Material and spare parts consumption costs	<b>104,823,168</b>	113,459,267
Natural gas, electricity and water	<b>66,995,222</b>	86,450,323
Salaries, wages and related benefits	<b>26,250,236</b>	34,757,485
Depreciation of property, plant and equipment ( <i>refer note 4</i> )	<b>34,089,898</b>	42,169,634
	-----	-----
	<b>232,158,524</b>	276,836,709
	=====	=====

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes *(continued)*

## 18 Selling, general and administrative expenses

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Salaries and related benefits	18,664,747	22,448,179
Legal and professional fee	2,279,136	2,814,405
Office expense	1,765,101	2,553,062
Marketing expense	5,752,395	1,108,300
Depreciation of property, plant and equipment <i>(refer note 4)</i>	463,549	584,210
Depreciation of right of use asset <i>(refer note 5)</i>	516,860	442,979
Other expenses	2,193,326	1,842,105
	<u>31,635,114</u>	<u>31,793,240</u>

## 19 Finance cost

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Bank charges	678,524	644,247
Interest on lease liabilities <i>(refer note 5)</i>	145,020	146,302
Foreign exchange loss	102,836	72,825
	<u>926,380</u>	<u>863,374</u>

## 20 Other income

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Dividend income	129,731	55,729
Gain on sale of property, plant and equipment	-	128,928
Other income	174,340	421,490
	<u>304,071</u>	<u>606,147</u>

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 21 Basic and diluted earnings per share

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Profit for the year / period	37,424,470	45,511,148
Weighted average number of shares outstanding	500,157,000	500,157,000
<b>Basic and diluted earnings per share (AED)</b>	<b>0.075</b>	0.091

The Group does not have any potentially diluted shares as at 31 March 2026 and 31 March 2025, hence the basic and diluted earnings per share are same.

## 22 Dividends

At the annual general meeting held on 25 June 2025, dividend of AED 10,003,140 (AED 0.02 per share) was approved by the shareholders for the fifteen-month period ended 31 March 2025 (2024: no dividend was declared). The dividend amount was paid to shareholders on 10 July 2025.

Subsequent to the year end, the Board of Directors' has recommended a dividend of AED 10,003,140 (AED 0.02 per share) (fifteen-month period ended 31 March 2025: AED 10,003,140 [AED 0.02 per share]).

## 23 Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. Pricing policies and terms of these transactions are approved by the Group's management and mutually agreed with the related parties.

Transactions with a related party included in the consolidated statement of profit or loss are as follows:

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
<i>Transactions with the entities under common control</i>		
Revenue from contract with customers	43,957,289	54,483,534
<i>Transactions with the Parent Company</i>		
Revenue from contract with customers	9,590,351	-
DMTT tax allocation	450,408	-

Balance with related parties included within trade and other receivables is as follows:

	<b>2026 AED</b>	2025 AED
Ultratech Cement Limited – <i>Intermediate Parent Company</i>	7,532,579	21,685,880
Star Cement Co LLC - <i>Entity under common control</i>	9,619,461	-
	<b>17,152,040</b>	21,685,880

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (*continued*)

## 23 Related party transactions and balances (*continued*)

Outstanding balances as of reporting date arise in the normal course of business, are unsecured, interest-free and settlement occurs generally through cash transfers in banks. There have been no guarantees provided or received for any related party payable or receivable.

### *Compensation of key management personnel:*

	<b>For the year ended 31 March 2026 AED</b>	For the fifteen- month period ended 31 March 2025 AED
Short term benefits	3,971,503	4,808,654
Long term benefits	155,376	139,924
Board remuneration	420,000	650,000
	-----	-----
	<b>4,546,879</b>	<b>5,598,578</b>
	=====	=====

At the annual general meeting held on 25 June 2025, the Board remuneration of AED 650,000 was approved for the fifteen-month period ended 31 March 2025 (*2024: an amount of AED 420,000 was approved on 9 March 2024*). For the financial year ended 31 March 2026, the proposed board remuneration is AED 420,000.

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

## 24 Commitments and contingent liabilities

	<b>2026 AED</b>	2025 AED
Letter of guarantees	6,168,965	2,754,995
Capital commitments	4,866,264	1,613,448
	=====	=====

## 25 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 fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirements to materially curtail the scale of its operations or to undertake a transaction on adverse terms. The fair values of financial assets and financial liabilities are determined using similar valuation techniques and assumptions as used in the audited annual consolidated financial statements for the fifteen months period ended 31 March 2025.

### *Fair value of financial instruments at amortised cost*

Management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the consolidated financial information approximates their fair values.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

## Notes (continued)

### 25 Fair value measurement (continued)

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

Some of the Group'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:

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
<b>31 March 2026</b>				
Equity investments carried at FVTOCI	<u>66,507,514</u>	<u>-</u>	<u>-</u>	<u>66,507,514</u>
<b>31 March 2025</b>				
Equity investments carried at FVTOCI	<u>64,504,526</u>	<u>-</u>	<u>-</u>	<u>64,504,526</u>

Valuation of FVTOCI investments is based on quoted bid prices in an active market.

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

#### *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 Group 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 Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the year.

### 26 Correction of error related to cash and cash equivalents and term deposits

During the year ended 31 March 2026, the Group discovered that cash and cash equivalents were not separately presented in the consolidated statement of financial position in prior years in accordance with the requirements of IAS 1 and the classification of term deposits into current and non-current components was also omitted in its consolidated financial statements in the prior year. As a consequence, bank balances and cash were overstated, while term deposits under non-current assets, term deposits and cash and cash equivalents under current assets were understated. The errors have been corrected by restating each of the affected financial statement line items for prior periods.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 26 Correction of error related to cash and cash equivalents and term deposits (continued)

The following table summarizes the impact on the Group's consolidated financial statements.

*Consolidated statement of financial position - 31 March 2025*

	As previously reported	Adjustment	As restated
	31 March 2025 AED	31 March 2025 AED	31 March 2025 AED
<b>ASSETS</b>			
<b>Non-current assets</b>			
Term deposits	-	90,828,270	<b>90,828,270</b>
Others	477,218,152	-	<b>477,218,152</b>
	-----	-----	-----
<b>Total non-current assets</b>	<b>477,218,152</b>	<b>90,828,270</b>	<b>568,046,422</b>
	-----	-----	-----
<b>Current assets</b>			
Term deposits	-	235,707,581	<b>235,707,581</b>
Bank balances and cash	340,868,822	(340,868,822)	-
Cash and cash equivalents	-	14,332,971	<b>14,332,971</b>
Others	131,298,860	-	<b>131,298,860</b>
	-----	-----	-----
<b>Total current assets</b>	<b>472,167,682</b>	<b>(90,828,270)</b>	<b>381,339,412</b>
	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>949,385,834</b>	<b>-</b>	<b>949,385,834</b>
	=====	=====	=====
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>949,385,834</b>	<b>-</b>	<b>949,385,834</b>
	=====	=====	=====

*Consolidated statement of financial position - 1 January 2024*

	As previously reported	Adjustment	As restated
	1 January 2024 AED	1 January 2024 AED	1 January 2024 AED
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Total non-current assets</b>	499,913,996	-	<b>499,913,996</b>
	-----	-----	-----
<b>Current assets</b>			
Term deposits	-	238,241,884	<b>238,241,884</b>
Bank balances and cash	251,308,981	(251,308,981)	-
Cash and cash equivalents	-	13,067,097	<b>13,067,097</b>
Others	131,626,605	-	<b>131,626,605</b>
	-----	-----	-----
<b>Total current assets</b>	<b>382,935,586</b>	<b>-</b>	<b>382,935,586</b>
	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>882,849,582</b>	<b>-</b>	<b>882,849,582</b>
	=====	=====	=====
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>882,849,582</b>	<b>-</b>	<b>882,849,582</b>
	=====	=====	=====

Notes *(continued)*

**26 Correction of error related to cash and cash equivalents and term deposits *(continued)***

On account of the above adjustments, there is no impact on profit or loss, other comprehensive income and retained earnings. Further, there is no change in cash flows for the fifteen-month period ended 31 March 2025.

**27 Segment information**

The Group is exclusively engaged in the business of cement and cement related products. The Group has only one segment in accordance with IFRS 8. Segment information is, accordingly, presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure. The requirements of IFRS 8, paragraphs 31 to 34 relating to the entity wide disclosures have been covered under consolidated statements of financial position, consolidated statement of profit and loss and consolidated statement of other comprehensive income to these consolidated financial statements.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

During the year, the Group significantly reduced its investment portfolio, retaining only a limited number of investments. The Board does not review the results of these investment activities as a separate operating segment. Accordingly, these activities do not meet the criteria for separate segment reporting. Comparative segment information for the prior period has not been disclosed as the Group now has only one segment in accordance with IFRS 8.

**28 Financial risk management**

The Group has exposure to the following risks arising from financial instruments:

- market risk
- credit risk
- liquidity risk

The Group's senior management oversees the management of these risks. The Group's senior management is supported by an executive committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The executive committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Group's principal financial liabilities include trade and other payables and lease liabilities and the financial assets include trade receivables, due from related party, bank balances, deposits and other receivables that derive directly from its operations. The Group also holds investments in equity instruments which are classified as FVTOCI.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include trade receivables, bank balances, term deposits, other receivables and investments in equity instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2026 and 31 March 2025.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 28 Financial risk management (continued)

### Market risk (continued)

The sensitivity of the relevant consolidated statement of profit or loss item or equity is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

#### a) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk is primarily based on its term deposits and lease liabilities.

At the reporting date, the profile of the Group's interest-bearing financial instruments was:

	2026 AED	2025 AED
<b>Fixed rate instruments</b>		
Financial assets – Term deposits	386,459,715	333,783,151
Financial liabilities – Lease liabilities	<u>2,766,644</u>	<u>1,832,010</u>

#### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Financial assets		Financial liabilities	
	2026 AED	2025 AED	2026 AED	2025 AED
Euro	87,936	114,104	141,795	90,431
INR	-	-	14,435	-
Kuwaiti Dinar	184,461	1,481,303	-	-
QAR	38,190	-	-	-
JPY	-	-	-	24,785
	<u>310,587</u>	<u>1,595,407</u>	<u>156,230</u>	<u>115,216</u>

Notes *(continued)*

**28 Financial risk management** *(continued)*

**Market risk** *(continued)*

These monetary assets comprise trade receivables denominated in foreign currencies other than USD, while the related liabilities primarily include trade payables. Fixed deposits are denominated in AED and USD. The UAE Dirham is currently pegged to the USD; thus, the Group is not exposed to the risk on changes in foreign currency relating to its assets and liabilities denominated in USD. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates against the AED.

The following table shows the sensitivity of the consolidated statement of profit or loss to reasonable possible changes in currency rates, with all other parameters being unchanged.

	For the year ended 31 March 2026		For the fifteen-month period ended 31 March 2025	
	Increase AED	Decrease AED	Increase AED	Decrease AED
<b>Financial assets (10% change)</b>				
Euro	8,793	(8,793)	11,410	(11,410)
Kuwaiti Dinar	18,446	(18,446)	148,130	(148,130)
QAR	3,819	(3,819)	-	-
	<u>159,334</u>	<u>(159,334)</u>	<u>(159,540)</u>	<u>(159,540)</u>
<b>Financial liabilities (10% change)</b>				
Euro	(14,180)	14,180	(9,043)	9,043
INR	(1,444)	1,444	-	-
JPY	-	-	(2,479)	2,479
	<u>(15,624)</u>	<u>15,624</u>	<u>(11,522)</u>	<u>11,522</u>

**c) Price risk**

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the price risk through geographical and risk diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management and Board of Directors on a regular basis.

Notes (continued)

**28 Financial risk management (continued)**

**Market risk (continued)**

The effect on consolidated statement of comprehensive income due to a reasonably possible change in market indices, with all other variables held constant is as follows:

	For the year ended 31 March 2026		For the fifteen-month period ended 31 March 2025	
	Effect on profit or loss AED	Effect on OCI AED	Effect on profit or loss AED	Effect on OCI AED
<i>Market indices</i> (+/- 10%)				
UAE	-	6,648,787	-	5,985,442
Other GCC countries	-	1,964	-	464,121
	=====	=====	=====	=====

The Group limits market price risk by monitoring developments in the markets.

Method and assumptions for sensitivity analysis:

- The sensitivity analysis has been carried out based on the exposure to equity price risk as at the reporting date.
- A 10% change in equity prices has been used to give a realistic assessment as a plausible event.

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from trade and other receivables, term deposits and cash at banks.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or letter of guarantees). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 28 Financial risk management (continued)

### Credit risk (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	Gross value	Provision for expected credit losses	Expected credit losses
<b>31 March 2026</b>			
Trade receivables (including related parties)	<u>46,687,287</u>	<u>(4,941,295)</u>	<u>11%</u>
<b>31 March 2025</b>			
Trade receivables (including related parties)	<u>56,352,039</u>	<u>(4,941,295)</u>	<u>9%</u>

Credit risk with respect to concentration of trade receivables by geographical area is as follows:

	2026 AED	2025 AED
Within UAE	30,317,520	20,675,956
Outside UAE	16,369,767	35,676,083
	<u>46,687,287</u>	<u>56,352,039</u>

Credit risk on bank balances is assessed to be minimal as these balances are callable on demand and held with reputable financial institutions in the UAE and Kuwait. Accordingly, the ECL as at the reporting date against bank balances is minimal. The Group limits its exposure to credit risk by investing only in fixed term deposits that are liquid debt securities and only with counterparties holding Moody's credit rating ranging from Aa3 to Ba1. Credit risk on other financial assets is assessed to be minimal based on historical default and the fact that they are held with counterparties with creditworthiness evaluated to be good by the Group's internal process.

The maximum exposure to credit risk for financial assets at the reporting date is limited to the carrying value.

### Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

# Ras Al Khaimah Co. for White Cement and Construction Materials P.S.C.

Notes (continued)

## 28 Financial risk management (continued)

### Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities. The contractual maturities of the financial liabilities have been determined on the basis of the remaining year at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure that adequate liquidity is maintained. The maturity profile of the liabilities at the reporting date based on contractual repayment arrangements was as follows:

	Carrying amount AED	Contractual cash flows AED	Less than 1 year AED	1 to 5 years AED
<b>31 March 2026</b>				
Trade and other payables*	81,120,613	81,120,613	81,120,613	-
Lease liabilities	2,766,644	3,201,750	888,300	2,313,450
	<u>83,887,257</u>	<u>84,322,363</u>	<u>82,008,913</u>	<u>2,313,450</u>
<b>31 March 2025</b>				
Trade and other payables*	79,928,491	79,928,491	79,928,491	-
Lease liabilities	1,832,010	2,121,600	530,400	1,591,200
	<u>81,760,501</u>	<u>82,050,091</u>	<u>80,458,891</u>	<u>1,591,200</u>

\*excludes advance from customers.

### Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the year ended 31 March 2026 and fifteen-month period ended 31 March 2025. Capital comprises share capital, statutory reserve, cumulative changes in fair value (FVTOCI), actuarial reserve and retained earnings, and is measured at AED 881,107,902 as at 31 March 2026 (31 March 2025: AED 846,772,014).

## 29 Purchase of shares

During the year ended 31 March 2026 and for the fifteen-month period ended 31 March 2025, the Company has not purchased or invested in any shares.

## 30 Disclosure related to geopolitical uncertainty

On 28 February 2026, regional military escalations across the Gulf region increased uncertainty in the operating environment, including in the United Arab Emirates. The evolving situation has resulted in certain operational challenges, particularly relating to exports, as shipping and logistics across the region have been subject to disruptions and remain an evolving matter.

The Group is closely monitoring developments and has implemented contingency measures where necessary to mitigate potential operational impacts. As at the date of approval of these financial statements, the situation remains ongoing. Due to the uncertain and rapidly evolving nature of these events, management is unable to reliably estimate the financial impact, if any, on the Group at this stage.