Detailed analysis of accumulated losses

Date	**30/07/2026**
Name of the Listed Company	**Fujairah Cement Industries PJSC.**
Define the period of the financial statements	**Q2-2026**
Value of the Accumulated losses	**AED 250,848,613**
Accumulated losses to capital ratio	**70.48%**
The main reasons leading to these accumulated losses and their history	**The accumulated losses primarily stem from the suspension of operations beginning 01 January 2024, when production was halted to execute major refurbishment activities. Liquidity constraints prolonged the shutdown, delaying the restart of operations and causing the factory to continue incurring fixed overheads without corresponding revenue. This extended idle period significantly contributed to the buildup of accumulated losses.** **Operations successfully resumed in June 2025, and the company has since demonstrated consistent improvement in both operational and financial performance. Production stabilized through late 2025 and into 2026, enabling better cost absorption, improved plant efficiency, and stronger market engagement.** **The positive momentum observed in Q1-2026 has continued into Q2-2026, as reflected in the interim results for the period ended June 30, 2026. This marks a strong recovery from the earlier loss-making period and reflects the benefits of resumed operations, enhanced cost control, and improved market conditions.**
Measures to be taken to address accumulated losses:	**Despite geopolitical challenges affecting, the company has delivered a strong operational performance in Q2-2026. Market share expansion, secured export commitments, and improved cost absorption have materially reduced losses compared to the prior year. With continued operational stability and disciplined financial management, the company is well-positioned to further reduce accumulated losses and sustain profitability in the upcoming periods.**

Chairman
Mohamed Bin Hamad Bin Saif Alsharqi