Detailed analysis of accumulated losses

Date:	November 13, 2019
Listed Company Name:	Gulf General Investments Co. (P.S.C)
Define the period of the financial statements	Q3 2019
Accumulated losses:	AED 1,604 millions
Accumulated losses to capital ratio:	89.5%
The main reasons leading to these accumulated losses and their history:	The losses incurred were the result of impairment of assets due to challenging market situation in the United Arab Emirates. In addition, finance charges is approximately AED 150 million each year.
Measures to be taken to address accumulated losses:	The Board of Directors is discussing the reduction of paid up capital by amortizing the accumulated losses in the capital account and reserves. In addition to the above: The Board of Directors has taken several measures such as : To reschedule all its debts with banks, get rid of some non-profit investments on the company, and some non-profitable companies. Human resources have been restructured and significantly reduced Follow austerity policy in expenses and reduce. Focus on profit-making investments after studying and completing all existing projects.



Authorized to signatory

