National Cement Company
(Public Shareholding Co.)
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
31 MARCH 2024

Grant Thornton Audit and Accounting Limited (Dubai Branch)

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Report on review of the inteirm condensed financial statements
To the Shareholders of National Cement Company (Public Shareholding Co.)

Introduction

We have reviewed the accompanying interim condensed financial statements National Cement Company (Public Shareholding Co.) (the "Company"), comprising the interim statement of financial position as at March 31, 2024, and the related interim statement of profit or loss and other comprehensive income, interim statement of changes in equity and interim statement of cash flows for the three-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matters

i. The interim condensed financial statements of the Company for the three-month period ended March 31, 2023 were reviewed by another auditor who expressed an unmodified conclusion on those statements on May 11, 2023.

ii. The financial statements of the Company for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on March 28, 2024.

Emphasis of a Matter

We draw attention to Note 11 to the interim condensed financial statements, which describes the current situation and environment in Sudan and management's assessment thereon. Our conclusion is not modified in respect of this matter.

GRANT THORNTON

Grant Thornton Public Accountants P.O. Box: 1620 DUBAI-U.A.E.

GRANT THORNTON UAE

Dr. Osama El Bakry
Registration No. 935
Dubai, United Arab Emirates

May 13, 2024

National Cement Company (Public Shareholding Co.)

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2024

	Notes	*Three months ended* 31 March 2024 AED '000 (Unaudited)	31 March 2023 AED '000 (Unaudited)
Revenue		**55,309**	42,398
Direct costs	3	**(53,841)**	(48,980)
GROSS PROFIT/(LOSS)		**1,468**	(6,582)
Other operating income	4	**2,592**	1,837
Administration and general expenses	5	**(5,937)**	(5,288)
Selling and distribution expenses		**(1,186)**	(1,116)
OPERATING LOSS		**(3,063)**	(11,149)
Finance income	6	**180**	863
Finance cost		**(82)**	(1,655)
Dividend income from equity investments	9	**131,860**	63,923
Net change in fair value of debt instruments at FVTPL	9	**609**	2,548
Fair value of debt instruments at FVOCI recycled to profit or loss on disposal		**-**	(3,749)
PROFIT FOR THE PERIOD BEFORE TAX		**129,504**	50,781
Income tax expense	21	**-**	-
PROFIT FOR THE PERIOD		**129,504**	50,781
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Net change in fair value of equity instruments at FVOCI	9	**153,167**	148,721
Items that have been reclassified to profit or loss or may be reclassified to profit or loss in subsequent periods:			
Net change in fair value of debt instruments at FVOCI	9	**(1,166)**	(6,436)
Fair value of debt instruments at FVOCI recycled to profit or loss on disposal		-	3,749
Other comprehensive income for the period		**152,001**	146,034
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**281,505**	196,815
Earnings per share			
-Basic and diluted earnings per share (AED)	17	**0.361**	0.142

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

National Cement Company (Public Shareholding Co.)

INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	*31 March 2024 AED '000 (Unaudited)*	*31 December 2023 AED '000 (Audited)*
ASSETS			
Non-current assets			
Property, plant and equipment	7	**140,305**	143,674
Intangible assets		**828**	1,006
Investment properties	8	**2,924**	2,924
Investments in financial assets	9	**1,564,332**	1,407,961
Loan receivable from an associate	11	**288,213**	288,213
Total non-current assets		**1,996,602**	1,843,778
Current assets			
Investments in financial assets	9	**9,446**	13,235
Inventories	12	**66,814**	69,419
Trade and other receivables	13	**132,822**	121,249
Advances and other receivables		**5,490**	2,105
Bank balances and cash	15	**135,090**	40,894
Total current assets		**349,662**	246,902
TOTAL ASSETS		**2,346,264**	2,090,680
EQUITY AND LIABILITIES			
Equity			
Share capital		**358,800**	358,800
Share application money		**26**	26
Statutory reserve		**179,402**	179,402
General reserve		**313,323**	313,323
Fair value reserve of financial assets at FVOCI		**1,258,542**	1,106,541
Retained earnings		**186,125**	56,621
Total equity		**2,296,218**	2,014,713
Non-current liability			
Employees' end of service benefits		**19,094**	18,788
Current liabilities			
Bank borrowings		-	20,000
Trade and other payables	16	**30,952**	37,179
		30,952	57,179
Total liabilities		**50,046**	75,967
TOTAL EQUITY AND LIABILITIES		**2,346,264**	2,090,680

These interim condensed financial statements were authorised for issue by the Board of Directors on 13 May 2024 and signed by:

Board Member

Board Member

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

INTERIM STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2024

	Share capital AED '000	*Share application money* AED '000	*Statutory reserve* AED '000	*General reserve* AED '000	*Fair value reserve of financial assets at FVOCI* AED '000	*Retained earnings* AED '000	*Total equity* AED '000
Balance as at 1 January 2023 (Audited)	358,800	26	179,402	313,323	803,726	(7797)	1,647,480
Profit for the period	-	-	-	-	-	50,781	50,781
Other comprehensive income for the period	-	-	-	-	146,034	-	146,034
Total comprehensive income for the period	-	-	-	-	146,034	50,781	196,815
As at 31 March 2023 (Unaudited)	358,800	26	179,402	313,323	949,760	42,984	1,844,295
Balance as at 1 January 2024 (Audited)	358,800	26	179,402	313,323	1,106,541	56,621	2,014,713
Profit for the period	-	-	-	-	-	129,504	129,504
Other comprehensive income for the period	-	-	-	-	152,001	-	152,001
Total comprehensive income for the period	-	-	-	-	152,001	129,504	281,505
As at 31 March 2024 (Unaudited)	**358,800**	**26**	**179,402**	**313,323**	**1,258,542**	**186,125**	**2,296,218**

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

INTERIM STATEMENT OF CASH FLOWS

For the three months ended 31 March 2024

	Notes	*Three months ended* **31 March 2024 AED '000 Unaudited**	*31 March 2023 AED '000 Unaudited*
OPERATING ACTIVITIES			
Profit for the period		**129,504**	50,781
Adjustments for:			
Depreciation and amortisation		**4,618**	4,581
Change in fair value of financial assets at FVTPL	9	**(609)**	(2,548)
Change in fair value of financial assets at FVOCI recycled to profit or loss		**-**	3,749
Write-off of inventories		**-**	1,202
Loss on disposal of property, plant and equipment		**(2)**	-
Provision for employees' end of services benefits		**364**	309
Finance income	6	**(180)**	(863)
Finance cost		**82**	1,655
Dividend income		**(131,860)**	(63,923)
Operating profit/(loss) before working capital changes		**1,917**	(5,057)
Working capital changes:			
Inventories		**2,605**	10,518
Trade and other receivables		**(11,573)**	(4,928)
Advances and other receivables		**(3,385)**	770
Trade and other payables		**(6,227)**	(6,132)
Cash used in operations		**(16,663)**	(4,829)
Employees' end of service benefits paid		**(59)**	(1,015)
Net cash flows used in operating activities		**(16,722)**	(5,844)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(1,075)**	(642)
Proceeds from disposals of property, plant and equipment		**6**	-
Investments in financial assets	9	**(2,828)**	(3,671)
Proceeds from maturity/disposals of financial assets		**2,857**	4,479
Interest received		**180**	863
Fixed deposit released/(placed)		**20,000**	(60,000)
Dividend received	9	**131,860**	63,923
Net cash flows from investing activities		**151,000**	4,952
FINANCING ACTIVITIES			
Proceeds from bank borrowings		-	68,151
Repayment of bank borrowings		**(20,000)**	(75,000)
Finance costs paid		**(82)**	(1,655)
Net cash flows used in financing activities		**(20,082)**	(8,504)
Net change in cash and cash equivalents		**114,196**	(9,936)
Cash and cash equivalents at the beginning of the period		**20,894**	16,976
Cash and cash equivalents at the end of the period		**135,090**	7,580

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

1 BACKGROUND AND PRINCIPAL ACTIVITIES

National Cement Company (Public Shareholding Co.), Dubai (the "Company"), is registered in accordance with a decree issued by His Highness Ruler of Dubai on 10 April 1968 establishing a cement company in the Emirate of Dubai, United Arab Emirates and is governed in accordance with the provisions of the UAE Federal Law No. 32 of 2021. The Company is listed on the Dubai Financial Market ("DFM"). The registered address of the Company is P.O. Box 4041, Dubai, United Arab Emirates.

The principal activity of the Company is to manufacture and sell cement and cement related products.

Federal Law by Decree No 32 of 2021, which repeals and replaces Federal Law No. 2 of 2015 (as amended) on Commercial Companies, was issued on 20 September 2021, and is effective from 2 January 2022. The Company is still in the process of amending its Articles of Association in line with the new provisions as required by the Federal Law by Decree No 32 of 2021.

2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

2.1 Basis of preparation

These interim condensed financial statements for the three-month period ended 31 March 2023 have been prepared in accordance with IAS 34: *Interim Financial Reporting.*

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at 31 December 2023. In addition, the results for the three-month period ended 31 March 31 2024 may not indicative of the results that may be expected for the financial year ending 31 December 2024.

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

The interim condensed financial statements have been prepared on a historical cost basis except for investments in financial assets at fair value through profit or loss and investments in financial assets at fair value through other comprehensive income, which have been measured at fair value.

When preparing the interim condensed financial statements, management undertakes a number of judgements, estimates, and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management.

2.2 New Standards, Amendments and Interpretations adopted as at 1 January 2024

The accounting policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023 except for the adoption of new standards effective as of 1 January 2024 where appropriate. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024 and have therefore been adopted by the Company. However, these amendments do not have any significant impact on the interim condensed financial statements of the Company, and therefore, further disclosures have not been made.

2.3 Fair value measurement

All financial assets and liabilities are stated at amortised cost or historical cost except for investments in financial assets that are measured at fair value. The fair values of other financial assets and the financial liabilities are not materially different from their carrying values at the reporting date.

3 DIRECT COSTS

	Three months ended	
	31 March 2024 AED '000 (Unaudited)	31 March 2023 AED '000 (Unaudited)
Material cost	**32,303**	30,875
Utilities and other factory costs	**11,214**	7,917
Staff cost	**6,042**	4,794
Depreciation of property, plant and equipment	**4,282**	4,192
Write-off of inventories	**-**	1,202
	53,841	48,980

4 OTHER OPERATING INCOME

	Three months ended	
	31 March 2024 AED '000 (Unaudited)	31 March 2023 AED '000 (Unaudited)
Sale of scrap and other non-trading materials	**961**	439
Rental income from investment properties	**949**	861
Other rental income	**577**	468
Others	**105**	69
	2,592	1,837

5 ADMINISTRATION AND GENERAL EXPENSES

	Three months ended	
	31 March 2024 AED '000 (Unaudited)	31 March 2023 AED '000 (Unaudited)
Staff cost	**3,939**	3,225
Office expenses	**841**	990
Amortization of intangible assets	**177**	150
Depreciation of property, plant and equipment	**158**	238
Utilities	**30**	32
Bank charges	**11**	70
Other	**781**	583
	5,937	5,288

6 FINANCE INCOME

	Three months ended	
	31 March 2024 AED '000 (Unaudited)	*31 March 2023 AED '000 (Unaudited)*
Interest income on investments in financial assets (debt instruments)	**180**	863

7 PROPERTY, PLANT AND EQUIPMENT

During the three-month period ended 31 March 2024 additions to property, plant and equipment amounted to AED 1.075 million (2023: AED 0.64 million) and depreciation charge for the period amounted to AED 4.61 million (2023: AED 4.58 million).

8 INVESTMENT PROPERTIES

Investment properties comprise land and villas constructed thereon. No investment properties were bought or sold during the current period and no depreciation was charged as the assets are fully depreciated. Land is not depreciated.

The fair value of investment properties is estimated to be AED 90 million based on a valuation performed by Dubai Land Department in March 2024 and AED 43 million as per an internal valuation carried out by management at 31 December 2023.

9 INVESTMENTS IN FINANCIAL ASSETS

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Current assets		
Investments at FVOCI	**5,273**	6,443
Investments at FVTPL	**4,173**	6,792
	9,446	13,235
Non-current assets		
Investments at FVOCI	**1,556,571**	1,403,400
Investments at FVTPL	**7,761**	4,561
	1,564,332	1,407,961
	1,573,778	1,421,196

9 INVESTMENTS IN FINANCIAL ASSETS (continued)

The categories of investments in financial assets are as follows:

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Quoted equity instruments – at fair value	**1,549,419**	1,396,252
Debt instruments – at fair value	**24,359**	24,944
	1,573,778	1,421,196

The Company has an investment, through an unquoted equity instrument, in a cement plant under construction outside the UAE. The investment is being carried at Fair Value through Other Comprehensive Income and is classified as Level 3 within the fair value hierarchy. The Company was not able to obtain a reliable fair valuation as per its accounting policies in order to determine the fair value of the investment due to the non-conducive situation in the country of investment. Accordingly, based on management's judgement, the fair value is fully written-down at 31 March 2024 (2023: fully written-down).

Investments in financial assets amounting to AED 1,019,650 thousand (2023: AED 861,073 thousand) are pledged with banks against banking facilities.

At 31 March 2024, investments in marketable securities amounting to AED 187 thousand (2023: AED 212 thousand) are held in the personal name of the Company's General Manager for the beneficial interest of the Company.

The Company has received dividend income amounting to AED 131,860 thousand from equity investments during the three months ended 31 March 2024 (2023: AED 63,923 thousand).

The movement in investments in financial assets during the period was as follows:

	Three-months ended 31 March 2024 (Unaudited)			
	Debt instruments at FVOCI AED '000	***Debt instruments at FVTPL AED '000***	***Equity instruments at FVOCI AED '000***	***Total AED '000***
At the beginning of the period	**13,591**	**11,353**	**1,396,252**	**1,421,196**
Additions	**-**	**2,829**	**-**	**2,829**
Matured/redeemed	**-**	**(2,857)**	**-**	**(2,857)**
Change in fair value	**(1,166)**	**609**	**153,167**	**152,610**
At the end of the period	**12,425**	**11,934**	**1,549,419**	**1,573,778**

9 INVESTMENTS IN FINANCIAL ASSETS (continued)

	Three-months ended 31 March 2023 (Unaudited)			
	Debt instruments at FVOCI AED '000	*Debt instruments at FVTPL AED '000*	*Equity instruments at FVOCI AED '000*	*Total AED '000*
At the beginning of the period	19,095	13,918	1,092,476	1,125,489
Additions	-	-	3,671	3,671
Matured/redeemed	-	(4,479)	-	(4,479)
Change in fair value	(6,436)	2,548	148,721	144,833
At the end of the period	12,659	11,987	1,244,868	1,269,514

The investments in financial assets by geography are as follows:

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
United Arab Emirates	**1,413,002**	1,268,110
Saudi Arabia	**153,117**	146,011
Other countries	**7,659**	7,075
	1,573,778	1,421,196

10 INVESTMENT IN AN ASSOCIATE

The Company's investment in an associate represents a share of 25.43% (2023: 25.43%) in Berber Cement Company Ltd., a limited liability company registered in the Republic of Sudan. The principal activity of the associate is to manufacture and sell cement. The Company's interest in Berber Cement Company Ltd. is accounted for using the equity method in the interim condensed financial statements.

On 15 April 2023, an armed conflict between rival factions of the military government of Sudan began, from which the associate company is located, the impact of the economic environment remains unstable and may pose serious consequences, as well as the possibility of a prolonged economic downturn.

In prior periods, the Company had accounted for the investment after taking account of the effect of hyperinflationary economy and using uniform accounting policies while preparing the financial statements of the associate. Furthermore, the Company has fully provided for the investment in the associate. The Company has no further obligation towards the losses, exceeding the face value of equity shares held.

11 LOAN RECEIVABLE FROM ASSOCIATE

The loan of AED 288 million, net of AED 28 million reduction in value, as at 31 March 2024 and 31 December 2023 represents AED denominated loan given to the associate and was recoverable by October 2019, however, the associate has defaulted on several payments. The interest rate on this loan is charged at the rate of 3-month EIBOR + 3% per annum. The Company has suspended the interest associated with the loan amounting to AED 7,681 thousand for the period ended 31 March 2024 (2023: AED 6,662 thousand).

11 LOAN RECEIVABLES FROM ASSOCIATE (continued)

On 15 April 2023, an armed conflict between rival factions of the military government of Sudan began, from which the associate company is located, the impact of the economic environment remains unstable and may pose serious consequences, as well as the possibility of a prolonged economic downturn.

At 31 December 2023, management had performed a remeasurement on the loan and evaluated the associate's ability to repay the loan based on the specific factors that includes the payment pattern during and subsequent to the reporting period, existence of adequate and sufficient securities against the loan, and proposed amendment of loan agreement with revised repayment schedule, which is expected to be formalized in the near future. As per the Company's accounting policies, the management has considered the possible impact of the current conflict on delaying the future payments and accordingly disclosed the loan balance as a non-current asset in view of this consideration.

Management has taken into account all indicators, future events and developments and assessed the impact on its operations, cash flows, and financial condition. Management believes that these events had not changed the existence and valuation of the securities covering the loan amount as the factory is still operating and located far from the armed conflict area.

12 INVENTORIES

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Raw materials	**21,655**	19,241
Work in progress	**14,511**	19,739
Finished goods	**3,239**	2,377
Consumables and spare parts	**28,854**	29,507
Provision for slow-moving inventories	**(1,445)**	(1,445)
	66,814	69,419

13 TRADE AND OTHER RECEIVABLES

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Trade receivables		
Receivables from third party customers	**128,674**	122,972
Less: allowance for expected credit losses	**(12,379)**	(12,379)
	116,295	110,593
Other related parties (Note 14)	**13,881**	8,330
	130,176	118,923
Other receivables	**2,646**	2,326
	132,822	121,249

14 RELATED PARTY TRANSACTIONS AND BALANCES

The Company, in the ordinary course of its business, enters into trading and financing transactions with entities which fall within the definition of "related party" as contained in International Accounting Standard 24. Management believes that the terms of the trading transactions are not materially different from those that could have been obtained from unrelated parties.

The significant related party transactions during the period are as follows:

a. Significant transactions with related parties:

	Three months ended	
	31 March 2024 AED '000 (Unaudited)	*31 March 2023 AED '000 (Unaudited)*
Associate		
Suspended interest income	**7,681**	6,662
Payment on behalf of the associate	**4,999**	-
Other related parties		
Sale of cement	**4,618**	1,986
Purchase of materials and services	**(9)**	(23)

b. Compensation of key management personnel

The remuneration of directors and other key members of management during the period was as follows:

	Three months ended	
	31 March 2024 AED '000 (Unaudited)	*31 March 2023 AED '000 (Unaudited)*
Salaries and other short-term benefits	**691**	795
End of service benefits	**38**	44
	729	839

c. Due from related parties

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Loan to associate		
Non-current portion of loan due from associate	**316,000**	316,000
Accrued interest on loan to the associate	**52,006**	44,325
Less: suspended interest and reduction in value financial asset	**(79,793)**	(72,112)
	288,213	288,213

14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

c. Due from related parties (continued)

	31 March 2024 AED '000 (Unaudited)	31 December 2023 AED '000 (Audited)
Trade and other receivables:		
Other related parties	**7,947**	7,396
Associate current account	**5,934**	934
	13,881	8,330

d. Due to related parties

	31 March 2024 AED '000 (Unaudited)	31 December 2023 AED '000 (Audited)
Other related parties	**9**	-
Associate	**-**	9,350
	9	9,350

15 CASH AND CASH EQUIVALENTS

	31 March 2024 AED '000 (Unaudited)	31 December 2023 AED '000 (Audited)
Cash in hand	**326**	156
Cash at banks – fixed deposits*	**-**	20,000
Cash at banks – current accounts	**134,764**	20,738
Bank balances and cash	**135,090**	40,894
Less: fixed deposits*	**-**	(20,000)
Cash and cash equivalents	**135,090**	20,894

* Fixed deposits carry interest at commercial rates and have an initial maturity of 1 year.

16 TRADE AND OTHER PAYABLES

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Trade payables	**16,914**	15,965
Accrued expenses and other payables	**7,807**	5,991
Accruals for employee benefits	**5,131**	5,131
Advances	**1,091**	717
Accrued interest	**-**	25
Due to related parties (Note 14)	**9**	9,350
	30,952	37,179

17 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Company of AED 129,504 thousand (2023: AED 50,781 thousand) by the weighted average number of shares outstanding during the period of 358,800 thousand shares (2023: 358,800 thousand shares).

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

18 SEGMENT REPORTING

The Company's activities comprise two main business segments: 1) manufacturing and selling cement and related products and 2) investments in securities, properties and associate. The details of segment revenue, result, assets and liabilities have been provided below:

	Three months ended 31 March 2024 (Unaudited)			*Three months ended 31 March 2023 (Unaudited)*		
	Cement AED '000	***Investments AED '000***	***Total AED '000***	*Cement AED '000*	*Investments AED '000*	*Total AED '000*
Revenue	**55,309**	**-**	**55,309**	42,398	-	42,398
Direct costs	**(49,559)**	**-**	**(49,559)**	(44,788)	-	(44,788)
Depreciation	**(4,440)**	**-**	**(4,440)**	(4,430)	-	(4,430)
Administration, selling and general expenses	**(6,965)**	**-**	**(6,965)**	(6,166)	-	(6,166)
Other operating income	**1,643**	**949**	**2,592**	976	861	1,837
Finance cost	**(82)**	**-**	**(82)**	(1,655)		(1,655)
Finance income	**-**	**178**	**178**	-	863	863
Dividend income	**-**	**131,860**	**131,860**	-	63,923	63,923
Change in fair value of financial assets, net	**-**	**609**	**609**	-	(1,201)	(1,201)
Segment (loss)/profit	**(4,094)**	**133,597**	**129,504**	(13,665)	64,446	50,781

18 SEGMENT REPORTING (continued)

	31 March 2024 (Unaudited)			*31 December 2023 (Audited)*		
	Cement AED '000	***Investments AED '000***	***Total AED '000***	*Cement AED '000*	*Investments AED '000*	*Total AED '000*
Segment assets*	**346,259**	**1,864,915**	**2,211,174**	337,453	1,712,333	2,049,786
Segment liabilities	**50,046**	**-**	**50,046**	75,967	-	75,967
Capital expenditure	**1075**	**-**	**1075**	3,312	-	3,312

* Cash and bank balances are not allocated to individual segments as these are managed and utilized as needed.

Additional information required by IFRS 8 *Segment Reporting*, is disclosed below:

a) Information about geographical segments

All the sales of the Company for the three -month period ended 31 March 2024 and three-month period ended 31 March 2023 are within UAE.

b) Major customers

During the three months period ended 31 March 2024, there is one customer (2023: 1 customer) with revenue greater than 10% of the total revenue of the Company.

19 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table provides the fair value measurement hierarchy of the Company's financial assets that are carried at fair value at the reporting date:

31 March 2024 (Unaudited)	***Level 1 AED '000***	***Level 2 AED '000***	***Level 3 AED '000***	***Total AED '000***
Quoted equity instruments at FVOCI	1,549,419	-	-	1,549,419
Unquoted equity instruments	-	-		
Quoted debt instruments at FVOCI	-	12,425	-	12,425
Quoted debt instruments at FVTPL	-	11,934	-	11,934
Total	**1,549,419**	**24,359**	**-**	**1,573,778**

31 December 2023 (Audited)	*Level 1 AED '000*	*Level 2 AED '000*	*Level 3 AED '000*	*Total AED '000*
Quoted equity instruments at FVOCI	1,396,252	-	-	1,396,252
Unquoted equity instruments	-	-		
Quoted debt instruments at FVOCI	-	13,591	-	13,591
Quoted debt instruments at FVTPL	-	11,353	-	11,353
Total	1,396,252	24,944	-	1,421,196

20 CONTINGENT LIABILITIES

	31 March 2024 AED '000 (Unaudited)	*31 December 2023 AED '000 (Audited)*
Bank guarantees	**1,587**	1,587

21 UAE CORPORATE TAX

The Company became taxable effective 1 January 2024 at the rate of 9% applicable to taxable income exceeding AED 375,000. However, no current income tax expense has been recorded by the Company for the three months ended 31 March 2024 on the basis that the Company incurred taxable losses.

Based on the information available to the date of the issuance of the interim condensed financial statements, management, with the support of its tax consultant, assessed the deferred tax implications on the Company and concluded that it is not significant as at and for the period ended 31 March 2024. As certain other cabinet decisions are pending as of the date of the issuance of these interim condensed financial statements, the Company will continue to assess the impact of these pending cabinet decisions on deferred taxes as and when finalised and published.