



Arkan reports 74% rise in 2018 earnings

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Arkan Building Materials Co. PJSC (ADX: ARKAN) (“Arkan” or “the Group”), a leading construction and building materials company in the UAE, today announced its preliminary financial results for the fiscal year 2018.

The net profit for 2018 was up 74% to AED 52.4 million, compared to AED 30.2 million in 2017 despite continuing market challenges and pressure on selling prices. This was due to an increase in gross profits, a reduction in finance costs due to better cash management and the repayment of loans and an income recognized from the sale of assets from the old Cement Factory, which had been shut down end of 2016.

The tender has been successfully awarded to the highest bidder for sum of AED 50 million (including VAT) of which AED 21.9 million recognized as other income during 2018.

Overall Group revenue in 2018 was AED 909.2 million, compared to AED 908.6 million the previous year. The direct costs decreased due to operational cost discipline.