

Fujairah Building Industries  
P.J.S.C. and its subsidiaries

Condensed consolidated  
interim financial statements (unaudited)  
*31 March 2024*

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Condensed consolidated interim financial statements (unaudited)

31 March 2024

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# Fujairah Building Industries P.J.S.C. and its subsidiaries

## General information

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The Auditor: KPMG Lower Gulf Limited  
The offices 5 at One Central  
Level 4, Office No. 04.01  
Sheikh Zayed Road, P.O. Box: 3800  
Dubai, United Arab Emirates

**DIRECTORS' REPORT**  
*for the three month period ended 31 March 2024*

The Board of Directors has the pleasure in presenting the reviewed condensed consolidated interim financial statements of Fujairah Building Industries P.J.S.C. ("the Company") and its subsidiaries (collectively referred to as "the Group") for the three month period ended 31 March 2024.

**Principal activities of the Group**

The principal activities of the Group are unchanged since the previous period and comprise manufacturing, marketing and distribution of rock wool insulation materials, concrete blocks, interlocks, kerbstones, and Terrazzo tiles, cutting, polishing, supply and installation of marble products, and extraction and processing of range of gabbro quarry materials.

**Financial performance**

	<b>1 Jan 2024 to 31 Mar 2024 AED</b>	1 Jan 2023 to 31 Mar 2023 AED
<b>Continuing operations:</b>		
Revenue	<b>51,015,061</b>	45,510,098
Gross profit	<b>18,397,389</b>	16,877,651
Gross profit margin	<b>36%</b>	37%
Profit for the period from continuing operations	<b>6,284,338</b>	4,191,065
<b>Discontinued operation:</b>		
Loss for the period from discontinued operation	<b>(3,025)</b>	(9,228)
Net profit for the period	<b>6,281,313</b>	4,181,837

The general assembly of the Company held on 6 March 2024 has approved the distribution of cash dividend of AED 40.7 million representing 30% of the share capital (i.e. United Arab Emirates ("UAE") Fils 30 per share).

**Going concern basis**

The Board of Directors has reasonable expectation that the Group has adequate resources and support to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements for the three month period ended 31 March 2024.

**Events after the period end**

In the opinion of the Board of Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the reporting period and the date of this report which is likely to affect, substantially the result of the operations of the Group for the three month period ended 31 March 2024.

**Independent Auditors**

KPMG Lower Gulf Limited, Dubai, UAE, offered their services to continue as independent auditors of the Company for the financial year 2024. In the Annual General Meeting held on 6 March 2024, the appointment has been approved by general assembly for the financial year 2024.

On behalf of the Board



.....  
Ahmed Saeed Mohammed Alraqbani  
Chairman

9 May 2024



KPMG Lower Gulf Limited  
The Offices 5 at One Central  
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# Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Statements

## To the Shareholders of Fujairah Building Industries P.J.S.C.

### Introduction

We have reviewed the accompanying 31 March 2024 condensed consolidated interim financial statements of Fujairah Building Industries P.J.S.C. ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated interim statement of financial position as at 31 March 2024;
- the condensed consolidated interim statements of profit or loss and other comprehensive income for the three-month period ended 31 March 2024;
- the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2024;
- the condensed consolidated interim statement of cash flows for the three-month period ended 31 March 2024; and
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, '*Interim Financial Reporting*'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*'. A review of condensed consolidated interim 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 31 March 2024 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, *'Interim Financial Reporting'*.

KPMG Lower Gulf Limited

Richard Ackland  
Registration No.: 1015  
Fujairah, United Arab Emirates

Date: 9 May 2024

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Condensed consolidated statement of profit or loss and other comprehensive income  
for the three month period ended 31 March 2024

		<b>Three month period ended 31 March (Unaudited)</b>	
	<i>Note</i>	<b>2024 AED</b>	2023 AED
<b>Continuing operations</b>			
Revenue	5	<b>51,015,061</b>	45,510,098
Cost of sales		<b>(32,617,672)</b>	(28,632,447)
		<b>18,397,389</b>	16,877,651
<b>Gross profit</b>			
Administrative and general expense	6	<b>(6,247,327)</b>	(6,733,773)
Selling and distribution expenses	7	<b>(6,687,949)</b>	(6,479,537)
Other income	8	<b>119,441</b>	225,284
		<b>5,581,554</b>	3,889,625
<b>Operating profit</b>			
Finance costs	9	<b>(689,247)</b>	(730,690)
Finance income	10	<b>998,086</b>	1,032,130
Dividend income		<b>1,171,332</b>	-
		<b>7,061,725</b>	4,191,065
<b>Profit before tax</b>			
Income tax expense	24	<b>(777,387)</b>	-
		<b>6,284,338</b>	4,191,065
<b>Profit from continuing operations</b>			
Loss from discontinued operation		<b>(3,025)</b>	(9,228)
		<b>6,281,313</b>	4,181,837
<b>Profit for the period</b>			
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at FVOCI - net change in fair value	12	<b>6,495,038</b>	28,731
		<b>12,776,351</b>	4,210,568
<b>Total comprehensive income for the period</b>			
<b>Earnings per share</b>			
Basic and diluted - continuing operations	23	<b>0.046</b>	0.031
Basic and diluted - discontinued operation	23	<b>(0.00)</b>	(0.00)

The notes set out on pages 10 to 21 are an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of condensed consolidated interim financial statements is set out on pages 3 and 4.

# Fujairah Building Industries P.J.S.C. and its subsidiaries

## Condensed consolidated statement of financial position

as at 31 March 2024

	Note	31 March 2024 AED (Unaudited)	31 December 2023 AED (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	131,054,016	135,223,021
Long-term receivables	15	476,334	476,334
Investments carried at fair value through other comprehensive income (FVOCI)	12	66,648,555	60,153,517
Total non-current assets		198,178,905	195,852,872
<b>Current assets</b>			
Inventories	13	47,169,563	49,949,087
Trade receivables	14	51,075,793	50,181,261
Advances, deposits and other receivables	15	7,980,618	6,704,030
Contract assets		1,553,272	2,289,249
Other financial assets		43,000,000	73,000,000
Cash and cash equivalents	16	24,908,885	19,752,615
Total current assets		175,688,131	201,876,242
<b>Total assets</b>		<b>373,867,036</b>	<b>397,729,114</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	19	135,987,500	135,987,500
Statutory reserve		50,992,621	50,992,621
Fair value reserve of investments carried at FVOCI		60,763,186	54,268,148
Retained earnings	20	36,739,008	71,253,945
Total equity		284,482,315	312,502,214
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	18	38,536,908	38,331,334
Employees' end of service benefits		9,490,056	9,575,870
Non-current liabilities		48,026,964	47,907,204
<b>Current liabilities</b>			
Lease liabilities	18	3,802,716	3,503,018
Trade and other payables	17	37,555,041	33,816,678
Total current liabilities		41,357,757	37,319,696
Total liabilities		89,384,721	85,226,900
<b>Total equity and liabilities</b>		<b>373,867,036</b>	<b>397,729,114</b>

The notes set out on pages 10 to 21 form an integral part of these condensed consolidated interim financial statements.

To the best of our knowledge, the condensed consolidated interim financial statements fairly present, in all material respects, the consolidated financial position, results of operation and consolidated cash flows of the Group as of, and for, the three month period ended 31 March 2024.

The condensed consolidated interim financial statements were approved and authorised for issue by and on behalf of the Board of Directors on 9 May 2024 and signed on their behalf by:

  
Chairman

  
Director

The independent auditors' report on review of condensed consolidated interim financial statements is set out on pages 3 and 4.



# Fujairah Building Industries P.J.S.C. and its subsidiaries

## Condensed consolidated statement of cash flows for the three month period ended 31 March 2024

		<b>Three month period ended 31 March (Unaudited)</b>	
	<i>Note</i>	<b>2024 AED</b>	<b>2023 AED</b>
<b>Cash flows from operating activities</b>			
Profit for the period		<b>6,281,313</b>	4,181,837
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment (including ROU assets)	<i>11</i>	<b>6,295,995</b>	5,998,446
Interest expense on lease liabilities	<i>9</i>	<b>689,247</b>	730,690
Provision for employees' end of service benefits		<b>204,780</b>	232,619
(Reversal of provision) / provision for slow-moving inventories		<b>(554,975)</b>	194,822
Interest income on fixed deposits	<i>10</i>	<b>(998,086)</b>	(1,032,130)
Loss on sale of property, plant and equipment		-	16,075
Dividend income		<b>(1,171,332)</b>	-
Tax expense	<i>24</i>	<b>777,387</b>	-
		-----	-----
		<b>11,524,329</b>	10,322,359
Change in inventories		<b>3,334,499</b>	(2,968,929)
Change in trade receivables		<b>(894,532)</b>	(2,313,563)
Change in advances, deposits and other receivables (including long term receivables and contract assets)		<b>630,721</b>	367,238
Change in trade and other payables		<b>2,960,976</b>	(2,248,679)
Employees' end-of-service benefits paid		<b>(290,594)</b>	(69,256)
		-----	-----
<b>Net cash from operating activities</b>		<b>17,265,399</b>	3,089,170
		-----	-----
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment	<i>11</i>	<b>(2,126,990)</b>	(2,405,787)
Investment in fixed deposits		<b>(11,000,000)</b>	(30,000,000)
Proceeds from redemption of fixed deposits		<b>41,000,000</b>	56,000,000
Interest received on fixed deposits	<i>10</i>	<b>998,086</b>	454,121
		-----	-----
<b>Net cash from investing activities</b>		<b>28,871,096</b>	24,048,334
		-----	-----
<b>Cash flows from financing activities</b>			
Payment for interest of lease liabilities	<i>18</i>	<b>(183,975)</b>	(730,690)
Payment for principal payment of lease liabilities		-	(321,556)
Dividends paid	<i>20</i>	<b>(40,796,250)</b>	-
		-----	-----
<b>Net cash used in financing activities</b>		<b>(40,980,225)</b>	(1,052,246)
		-----	-----
<b>Net increase in cash and cash equivalents</b>		<b>5,156,270</b>	26,085,258
Cash and cash equivalents at the beginning of the period		<b>19,752,615</b>	17,638,811
		-----	-----
<b>Cash and cash equivalents at the end of the period</b>	<i>16</i>	<b>24,908,885</b>	43,724,069
		=====	=====

The notes set out on pages 10 to 21 are an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of condensed consolidated interim financial statements is set out on pages 3 and 4.

# Fujairah Building Industries P.J.S.C. and its subsidiaries

## Condensed consolidated statement of changes in equity for the three month period ended 31 March 2024

	Share capital AED	Statutory reserve AED	Fair value reserve of investments carried at FVOCI AED	Retained earnings AED	Total AED
At 1 January 2023 (Audited)	135,987,500	50,094,210	50,842,553	94,980,383	331,904,646
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	4,181,837	4,181,837
Other comprehensive income for the period	-	-	28,731	-	28,731
<i>Total comprehensive income for the period</i>	-	-	28,731	4,181,837	4,210,568
<b>Transactions with owners of the Company</b>					
Dividends (refer note 19)	-	-	-	(40,796,250)	(40,796,250)
At 31 March 2023 (Unaudited)	135,987,500	50,094,210	50,871,284	58,365,970	295,318,964

## Fujairah Building Industries P.J.S.C. and its subsidiaries

Condensed consolidated statement of changes in equity (*continued*)  
for the three month period ended 31 March 2024

	Share capital AED	Statutory reserve AED	Fair value reserve of investments carried at FVOCI AED	Retained earnings AED	Total AED
<b>At 1 January 2024 (audited)</b>	135,987,500	50,992,621	54,268,148	71,253,945	312,502,214
	-----	-----	-----	-----	-----
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	6,281,313	6,281,313
Other comprehensive income for the period	-	-	6,495,036	-	6,495,036
	----	----	-----	-----	-----
<i>Total comprehensive income for the period</i>	-	-	6,495,036	6,281,313	12,776,349
	----	----	-----	-----	-----
<b>Transactions with owners of the Company</b>					
Dividends (refer note 19)	-	-		(40,796,250)	(40,796,250)
	-----	-----	-----	-----	-----
<b>At 31 March 2024 (unaudited)</b>	<b>135,987,500</b>	<b>50,992,621</b>	<b>60,763,184</b>	<b>36,739,008</b>	<b>284,482,313</b>
	=====	=====	=====	=====	=====

- (i) In accordance with Federal Decree Law No. 32 of 2021 and the Company's Articles of Association, 5% of net profit for the year is required to be transferred to statutory reserve till the reserve reaches 50% of Company's paid up share capital. The reserve is not available for distribution except in the circumstances stipulated by the law. No transfer has been effected at the end of the reporting period, as this will be based on the results for the financial year.

The notes set out on pages 10 to 21 are an integral part of these condensed consolidated interim financial statements.

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes (forming part of the condensed consolidated interim financial statements)

## 1. Reporting entity

Fujairah Building Industries P.J.S.C. (“the Company”) was incorporated as an establishment in 1979 in the Emirate of Fujairah, United Arab Emirates (“UAE”). Subsequently, the legal status of the Company was changed to Public Joint Stock Company in 1991. The registered address of the Company is P.O. Box 383, Fujairah, UAE. The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange (Ticker: FBI). The Company is ultimately controlled by the Government of Fujairah (“the Government”).

The condensed consolidated interim financial statements (“interim financial statements”) as at and for the three month period ended 31 March 2024 (“the current period”) comprise the Company and its subsidiaries (collectively referred to as “the Group” and individually as “the Group entities”).

The principal activities of the Group comprise production of blocks, interlocks, kerbstones, ceramic tiles, rockwool insulation materials, marble products, terrazzo tiles and quarry products.

## 2. Basis of accounting and material accounting policy information

These interim financial statements for the three month period ended 31 March 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2023 (‘last annual financial statements’). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards and the requirements of UAE Federal Decree Law No. 32 of 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

The accounting policies applied in these interim financial statements are the same as those applied in the Group’s consolidated financial statements as at and for the year ended 31 December 2023.

## 3. Use of estimates and judgments

In preparing these condensed consolidated interim financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the consolidated financial statements for the year ended 31 December 2023.

### *Measurement of fair values*

The Group has an established control framework with respect to the measurement of fair values, and management has overall responsibility for overseeing all significant fair value measurements.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes (continued)

## 3. Use of estimates and judgments (continued)

*Measurement of fair values (continued)*

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period in which the change has occurred.

## 4. Financial risk management

The Group's activities potentially expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023. The Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the year ended 31 December 2023.

## 5. Revenue

	<b>Three month period ended</b>	
	<b>2024</b>	<b>31 March</b>
	<b>AED</b>	<b>2023</b>
	<b>(Unaudited)</b>	<b>AED</b>
		<b>(Unaudited)</b>
Sale of goods – <i>point in time</i>	<b>50,914,039</b>	43,485,623
Contract revenue – <i>over time</i>	<b>101,022</b>	2,024,475
	<b>=====</b>	<b>-----</b>
	<b>51,015,061</b>	45,510,098
	<b>=====</b>	<b>=====</b>

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes (continued)

## 6. Administrative and general expenses

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>AED</b>	<b>AED</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Salaries and related benefits	<b>3,604,585</b>	3,054,443
Board of director's remuneration (refer note 21)	<b>1,260,000</b>	1,260,000
Depreciation on property, plant and equipment (including ROU assets) (refer note 11)	<b>981,664</b>	931,559
Legal, visa and professional expenses	<b>157,142</b>	266,093
Utilities	<b>122,888</b>	114,318
Social contribution (refer (i) below)	<b>65,940</b>	249,952
Others	<b>55,108</b>	857,408
	<b>-----</b>	<b>-----</b>
	<b>6,247,327</b>	<b>6,733,773</b>
	<b>=====</b>	<b>=====</b>

- (i) This represents social contributions in the form of free of cost goods issued to Fujairah Foundation for Regional Development for the development of local communities based in the Fujairah region.

## 7. Selling and distribution expenses

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>AED</b>	<b>AED</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Salaries and related benefits	<b>2,321,993</b>	2,239,034
Vehicle expenses	<b>2,176,456</b>	2,046,503
Depreciation on property, plant and equipment (including ROU assets) (refer note 11)	<b>1,130,688</b>	1,049,527
Government fees on quarry sales	<b>453,488</b>	163,597
Advertisement and business promotion	<b>172,390</b>	92,574
Rent on short-term leases (refer note 18)	<b>26,328</b>	35,316
Others	<b>406,606</b>	852,986
	<b>-----</b>	<b>-----</b>
	<b>6,687,949</b>	<b>6,479,537</b>
	<b>=====</b>	<b>=====</b>

## 8. Other income

Other income for the three month period ended 31 March 2024 (unaudited) mainly comprises scrap sales and miscellaneous income of AED 93,566 and AED 25,875 respectively (*three month period ended 31 March 2023 (unaudited): scrap sales and miscellaneous income of AED 212,448 and AED 12,836 respectively*).

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes *(continued)*

## 9. Finance costs

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>AED</b>	<b>AED</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest on lease liabilities (refer note 18)	<b>689,247</b>	<b>730,690</b>
	<u>=====</u>	<u>=====</u>

## 10. Finance income

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>AED</b>	<b>AED</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest income on fixed deposits	<b>998,086</b>	<b>1,032,130</b>
	<u>=====</u>	<u>=====</u>

## 11. Property, plant and equipment

### *Additions (unaudited)*

During the three month period ended 31 March 2024, the Group purchased property, plant and equipment amounting to AED 2,126,990 (*three month period ended 31 March 2023 (unaudited): AED 2,405,787*).

### *Depreciation (unaudited)*

Depreciation charge for the period has been allocated as follows:

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>AED</b>	<b>AED</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of sales	<b>4,183,643</b>	<b>4,017,360</b>
Selling and distribution expenses (refer note 7)	<b>1,130,688</b>	<b>1,049,527</b>
Administrative and general expenses (refer note 6)	<b>981,664</b>	<b>931,559</b>
	<u>-----</u>	<u>-----</u>
	<b>6,295,995</b>	<b>5,998,446</b>
	<u>=====</u>	<u>=====</u>

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes *(continued)*

## 12. Investments carried at fair value through other comprehensive income (FVOCI)

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Investment in equity securities:		
- Quoted	<b>65,062,555</b>	58,567,517
- Unquoted	<b>1,586,000</b>	1,586,000
	<b>-----</b>	<b>-----</b>
Total investments carried at FVOCI	<b>66,648,555</b>	60,153,517
	<b>=====</b>	<b>=====</b>

### *Classification of investment in equity securities at FVOCI*

The Group designated the above investments as equity securities carried at FVOCI because these equity securities represent investments that the Group intends to hold for the long term for strategic purposes.

### *Change in fair value of investments carried at FVOCI (unaudited)*

During the three month period ended 31 March 2024, gain on fair valuation of investments amounting to AED 6,495,038 (*three month period ended 31 March 2023 (unaudited): AED 28,731*) has been recorded in other comprehensive income.

## 13. Inventories

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Raw materials	<b>7,585,731</b>	6,360,030
Finished goods	<b>28,559,221</b>	33,333,979
Spare parts	<b>22,023,065</b>	22,471,999
Consumables	<b>4,091,881</b>	3,428,389
	<b>-----</b>	<b>-----</b>
	<b>62,259,898</b>	65,594,397
Less: provision for slow-moving inventories	<b>(15,090,335)</b>	(15,645,310)
	<b>-----</b>	<b>-----</b>
	<b>47,169,563</b>	49,949,087
	<b>=====</b>	<b>=====</b>

During the three month period ended 31 March 2024 (unaudited), reversal of provision for slow moving inventories amounting to AED 554,975 (*three month period ended 31 March 2023 (unaudited): provision for slow moving inventories amounting to AED 194,822*) has been recorded in profit or loss under 'cost of sales'.



# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes *(continued)*

## 14. Trade receivables

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Trade receivables	69,138,265	68,243,733
Less: impairment loss on trade receivables	(18,062,472)	(18,062,472)
	<u>51,075,793</u>	<u>50,181,261</u>

## 15. Advances, deposits and other receivables

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Prepayments	2,520,802	2,271,430
Advances	1,827,469	1,269,730
Retention receivable	1,617,437	1,793,602
Dividend receivable	1,171,332	-
Interest receivable	917,812	1,476,478
Refundable deposits	254,209	254,208
Other receivables	147,891	114,916
	<u>8,456,952</u>	<u>7,180,364</u>
<i>Less: non-current portion</i>		
Refundable deposits	(201,105)	(201,105)
Retention receivable	(275,229)	(275,229)
	<u>(476,334)</u>	<u>(476,334)</u>
Non-current portion of advances, deposits and other receivables <b>(b)</b>	<u>(476,334)</u>	<u>(476,334)</u>
Current portion of advances, deposits and other receivables <b>(a) – (b)</b>	<u>7,980,618</u>	<u>6,704,030</u>

## 16. Cash and cash equivalents

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Cash in hand	284,079	322,227
Bank balances - current accounts	24,624,806	19,430,388
	<u>24,908,885</u>	<u>19,752,615</u>

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes (continued)

## 17. Trade and other payables

	<b>31 Mar 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Trade payables	26,346,739	23,458,434
Accruals	5,006,580	6,618,796
Advances from customers	4,673,360	2,582,949
Staff provisions	1,117,412	803,611
VAT payable	410,950	352,888
	<u>37,555,041</u>	<u>33,816,678</u>

## 18. Lease liabilities

*Leases as lessee*

The Group leases a number of land and staff accommodations under operating leases. Lease terms and rental calculations vary significantly between different lease agreements. The leases typically run for a period of 1 to 25 years.

*Amounts recognised in statement of financial position*

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
At 1 January	41,834,352	46,062,277
Add: interest on lease liabilities	689,247	2,863,214
Less: payments made against lease liabilities (refer note 21)	(183,975)	(7,091,139)
	<u>42,339,624</u>	<u>41,834,352</u>
At reporting date	42,339,624	41,834,352
Less: current portion of lease liabilities	(3,802,716)	(3,503,018)
	<u>38,536,908</u>	<u>38,331,334</u>

*Amounts recognised in profit or loss*

	<b>Three month period ended 31 March 2024 AED (Unaudited)</b>	31 March 2023 AED (Unaudited)
Interest on lease liabilities (refer note 9)	689,247	730,690
Depreciation expense	1,051,605	1,042,898
Rent expense relating to short-term leases (refer note 7)	26,328	35,316
	<u>1,767,180</u>	<u>1,808,904</u>

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes *(continued)*

## 19. Lease liabilities (continued)

*Amounts recognised in statement of cash flows*

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Unaudited)
Total cash outflows for leases	<b>183,975</b>	1,052,246
	<u><u>          </u></u>	<u><u>          </u></u>

## 19. Share capital

	<b>31 March</b>	31 December
	<b>2024</b>	2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Audited)
<i>Authorised, issued and paid-up</i>		
135,987,500 shares of AED 1 each (also refer note 1)	<b>135,987,500</b>	135,987,500
	<u><u>          </u></u>	<u><u>          </u></u>

## 20. Retained earnings

*Dividend*

At the Annual General Meeting held on 6 March 2024, the shareholders approved a 30% cash dividend (2023: 30%) of AED 40,796,250 (31 March 2023 (unaudited): AED 40,796,250), which has been paid during the period.

## 21. Related party transactions and balances

The Group, in the ordinary course of business, enters into transactions with other business enterprises which fall within the definition of related parties as contained in IAS 24 *Related Party Disclosures*. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

Management approves prices and terms of payment for these transactions, and these are carried out at mutually agreed rates.

### (a) Related party transactions

Significant related party transactions during the period were as follows:

	<b>Three month period ended</b>	
	<b>31 March</b>	
	<b>2024</b>	2023
	<b>AED</b>	AED
	<b>(Unaudited)</b>	(Unaudited)
Sales to entities under common control	<b>2,516,350</b>	2,068,585
Purchases from entities under common control	<b>96,398</b>	49,176
Government fees on quarry sales (refer note 7)	<b>453,488</b>	163,597
Payments of lease rent to Government (refer note 18)	<b>183,975</b>	7,091,139
	<u><u>          </u></u>	<u><u>          </u></u>

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes *(continued)*

## 21. Related party transactions and balances *(continued)*

*(b) Key management personnel compensation*

	<b>Three month period ended</b>	
	<b>2024</b>	<b>31 March</b>
	<b>AED</b>	<b>2023</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Board of Directors remuneration	<b>1,260,000</b>	1,260,000
Short-term employee benefits	<b>471,538</b>	1,131,933
Provision towards staff terminal benefits	<b>-</b>	33,901
	<b>=====</b>	<b>=====</b>

*(c) Related party balances*

	<b>31 March</b>	31 December
	<b>2024</b>	2023
	<b>AED</b>	<b>AED</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Due from related parties (included in trade receivables)</b>		
<i>Entities under common control</i>		
Siji Ready Mix LLC	<b>1,538,466</b>	1,236,679
Fujairah National Construction and Transport LLC	<b>1,290,384</b>	966,772
East Coast Contracting and Trading LLC	<b>345,596</b>	792,730
Build Right Construction LLC	<b>328,948</b>	306,111
Decortech LLC	<b>9,389</b>	9,389
Fujairah Cement Industries PJSC	<b>-</b>	1,974
	<b>-----</b>	<b>-----</b>
	<b>3,512,783</b>	3,313,655
	<b>=====</b>	<b>=====</b>
<b>Due to related party (included in trade payables)</b>		
<i>Entities under common control</i>		
Fujairah Cement Industries PJSC	<b>934,418</b>	-
Fujairah National Advertising Company LLC	<b>28,005</b>	15,289
	<b>-----</b>	<b>-----</b>
	<b>962,423</b>	15,289
	<b>=====</b>	<b>=====</b>

The Group enters into transactions, in the normal course of business, with Government-owned entities. In accordance with the exemption available in IAS 24, management has elected not to disclose such transactions, which are primarily in nature of financing and operational related activities and entered in the normal course of business at commercial terms.

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes *(continued)*

## 22. Contingent liabilities and commitments

	<b>31 March 2024 AED (Unaudited)</b>	31 December 2023 AED (Audited)
Capital commitments	944,502	944,502
Contingent liabilities - Letter of credit	<b>3,386,033</b>	6,850,748

## 23. Earnings per share

	<b>Three month period ended 31 March 2024 (Unaudited)</b>	31 March 2023 (Unaudited)
Weighted average number of shares	<b>135,987,500</b>	135,987,500
<b><i>Continuing operations</i></b>		
Profit for the period (AED) (unaudited)	<b>6,284,338</b>	4,191,065
Earnings per share (AED) – basic and diluted	<b>0.046</b>	0.031
<b><i>Discontinued operation</i></b>		
Loss for the period (AED) (unaudited)	<b>(3,025)</b>	(9,228)
Loss per share (AED) – <i>basic and diluted</i>	<b>(0.00)</b>	(0.00)

There was no dilution effect on the basic earnings per share, as the Group does not have any such outstanding commitments as at the reporting dates.

## 24. Income tax expense

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the condensed consolidated interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes (continued)

## 25. Segment reporting

Management has determined the operating segments based on segments identified for the purpose of allocating resources and assessing performance. The Group is organised into three major segments: Quarrying, manufacturing and others. Information regarding the operations of each separate segment is included below:

	Continuing operations					Discontinued operation *	
	Quarrying AED	Manufacturing AED	Other AED	Eliminations AED	Total AED	Ceramic products AED	Total AED
<b>Three month period ended 31 March 2024</b>							
Revenue	6,022,320	46,863,359	-	(1,870,618)	51,015,061	-	51,015,061
(Loss) / profit before tax	(292,225)	7,191,632	162,318	-	7,061,725	(3,025)	7,058,700
Depreciation	224,047	6,071,948	-	-	6,295,995	-	6,295,995
<b>Three month period ended 31 March 2023</b>							
Revenue	3,791,204	43,787,479	-	(2,068,585)	45,510,098	-	45,510,098
(Loss) / profit before tax	(656,205)	5,817,386	(970,116)	-	4,191,065	(9,228)	4,181,837
Depreciation	185,109	5,813,337	-	-	5,998,446	-	5,998,446
<b>At 31 March 2024</b>							
Total assets	23,056,927	276,944,693	281,609,058	(207,779,444)	373,831,232	35,802	373,867,036
Total liabilities	18,349,152	196,511,080	3,213,481	(128,693,729)	89,379,984	4,737	89,384,721
<b>At 31 December 2023</b>							
Total assets	21,552,998	311,754,467	295,503,408	(231,120,291)	397,690,582	38,532	397,729,114
Total liabilities	18,249,852	217,197,985	1,839,058	(152,064,439)	85,222,456	4,444	85,226,900

\* During 2015, to curtail losses incurred by a subsidiary, Emirates Ceramic Factory (“ECF”), the Board of Directors approved closure of the subsidiary’s plant operations. Accordingly, the management has classified operational results of the subsidiary separately as discontinued operation.

# Fujairah Building Industries P.J.S.C. and its subsidiaries

Notes (continued)

## 26. Financial instruments

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2023.

Financial assets consist of cash and cash equivalents, fixed deposits, trade receivables, contract assets other receivables and investments carried at FVOCI. Financial liabilities consist of lease liabilities and trade and other payables.

*Fair value of financial instruments carried at amortised cost*

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the interim financial statements approximate their fair values.

### Valuation of financial instruments

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

*Valuation techniques and assumptions applied for the purposes of measuring fair value*

The fair values of financial assets measured at fair value are determined using similar valuation techniques and assumptions as used in the audited annual consolidated financial statements for the year ended 31 December 2023.

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
<b>31 March 2024 (Unaudited)</b>				
Investments carried at FVOCI	65,062,553	-	1,586,000	66,648,553
	=====	===	=====	=====
<b>31 December 2023 (Audited)</b>				
Investments carried at FVOCI	58,567,517	-	1,586,000	60,153,517
	=====	===	=====	=====

During the period ended 31 March 2024 and year ended 31 December 2023, there were no transfers between the various levels of fair value measurements.

## 27. Subsequent event

There has been no significant event subsequent to the reporting date and up to the date of authorisation, which would have a material effect on the condensed consolidated interim financial statements.