

Discussion report and analysis of the board of directors

Date	26/03/2026
Name of the Listed Company	Fujairah Cement Industries PJSC
The period of the financial statements covered by the report	Year ended 31/12/2025
Overview of the main results during the financial period	Loss reported for the period – (AED 91,224,547)
Securities issued during the financial period	
Summary of the most important non-financial events and developments during the financial period	
Summary of operational performance during the financial period	Revenue for the period is AED 114,989,435 (4323% increase in revenue compared to 12 months period ending 31.12.2024)
Summary of profit and loss during the financial period	<p>Revenue for the period – AED 114,989,435</p> <p>Gross Profit for the period – AED 9,997,761</p> <p>Selling & Distribution Expenses – (AED 5,076,608)</p> <p>General & Admin. Costs – (AED 7,644,443)</p> <p>Production Idle Cost – (AED. 42,020,193)</p> <p>Finance Costs – (AED 46,915,960)</p> <p>Other Incomes – AED 1,459,936</p> <p>Net loss from discontinued operations – (AED 1,015,040)</p> <p>Net Loss for the Period – (AED 91,224,547)</p>
Summary of financial position as at the end of the financial period	<p>Non-Current Assets – AED 999,035,617</p> <p>Current Assets – AED 254,477,050</p> <p>Total Assets – AED 1,253,512,667</p> <p>Equity & Reserves – AED 147,366,252</p> <p>Non-Current Liabilities – AED 174,538,368</p> <p>Current Liabilities – AED 931,608,047</p> <p>Total Equity & Liabilities – AED 1,253,512,667</p>
Summary of cash flows during the financial period	<p>Cash and Bank Balance as at 01.01.2025 – AED 792,807</p> <p>Cash Flow from / (used) Operating Activities – AED 11,779,963</p> <p>Cash Flow from / (used) Investing Activities – AED 2,521,375</p> <p>Cash Flow from / (used) Financing Activities – AED (9,122,077)</p> <p>Cash and Bank Balance as at 31.12.2025 (Discontinued Operation) – (AED 1,587/-)</p> <p>Cash and Bank Balance as at 31.12.2025 (Continuing Operations) – AED 4,977,655</p>
Main performance indicators	<p>Gross Profit Ratio – 8.69%</p> <p>Net Loss Ratio – (79.33%)</p> <p>Cash Loss Ratio – (25%)</p> <p>Loss Per Share (UAE Dirhams) – (0.256)</p>
Expectations for the sector and the company's role in these expectations	



<p>Expectations regarding the economy and its impact on the company and the sector</p>	<p>Economic conditions continue to show improvement, and this positive environment is supporting both the cement sector and the company's performance. Coal prices have remained at lower levels, which is reducing our production cost and strengthening margins. The cement market has stabilized further, with prices maintaining an increase of 7–10%, reflecting healthy demand and improved sector dynamics.</p> <p>Since resuming operations in June 2025, and then the company's performance has shown a clear positive trend. With production back on track and improved cost control, the losses have substantially reduced in Q4, reflecting the benefits of resumed operations and ongoing efficiency measures.</p> <p>These economic and sectoral conditions, combined with our operational recovery, are contributing to a positive trend in results. The company's financial performance has strengthened in Q4, and losses have reduced as production stabilizes and export volumes increase.</p>
<p>Future plans for growth and changes in operations in future periods</p>	
<p>The size and impact of current and projected capital expenditures on the company</p>	
<p>The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year</p>	

General Manager

Saeed Ahmed Ghareib Alsereidi

