

**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
**(FORMERLY UMM AL QAIWAIN CEMENT INDUSTRIES Co.)**  
**A PUBLIC SHAREHOLDING COMPANY**  
**UMM AL QAIWAIN**  
**UNITED ARAB EMIRATES**

**CONDENSED INTERIM FINANCIAL**  
**INFORMATION AND REVIEW REPORT**  
**FOR THE NINE-MONTHS PERIOD ENDED**  
**SEPTEMBER 30, 2016**

**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
**(FORMERLY UMM AL QAIWAIN CEMENT INDUSTRIES Co.)**  
**A PUBLIC SHAREHOLDING COMPANY**  
**UMM AL QAIWAIN**  
**UNITED ARAB EMIRATES**

**CONDENSED INTERIM FINANCIAL INFORMATION AND REVIEW REPORT**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016**

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### Report on Review of Condensed Interim Financial Information

101480009

**Messrs Umm Al Qaiwain General Investments Company P.S.C.**  
(Formerly Umm Al Qaiwain Cement Industries Co.)  
A Public Shareholding Company,  
Umm Al Qaiwain - United Arab Emirates.

#### Introduction

We have reviewed the accompanying condensed statement of financial position of **Umm Al Qaiwain General Investments Company P.S.C. (a public shareholding company)** – Umm Al Qaiwain (Formerly Umm Al Qaiwain Cement Industries Co.) as at September 30, 2016 and the related condensed statements of income, comprehensive income, changes in shareholders' equity and cash flows for the nine-months period then ended, and selected explanatory notes. Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with International Accounting Standard No. 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review on Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information 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 condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard No. 34, "Interim Financial Reporting".

#### Emphasis of matter

The Company has obtained approval to change its commercial activities and trade name to **Umm Al Qaiwain General Investments Company P.S.C.** from Securities and Commodities Authority – UAE (SCA) and new license has been issued by Department of Economic Development – Government of Umm Al Qaiwain. The Company published the Memorandum of Association in the official newspaper.

TALAL ABU-GHAZALEH & CO-INTERNATIONAL

TALAT ZABEN  
LICENSED AUDITOR NO. 68

Umm Al Qaiwain,  
November 13, 2016

**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
**(FORMERLY UMM AL QAIWAIN CEMENT INDUSTRIES CO.)**

**A PUBLIC SHAREHOLDING COMPANY**

**UMM AL QAIWAIN**  
**UNITED ARAB EMIRATES**

**CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2016**

**EXHIBIT A**

| <b>ASSETS</b>   | <b>Notes</b> | <b>September 30,<br/>2016<br/>(Unaudited)<br/>AED</b> | <b>December 31,<br/>2015<br/>(Audited)<br/>AED</b> | <b>September 30,<br/>2015<br/>(Unaudited)<br/>AED</b> |
|---|--------------|---|--|---|
| <b>Non-current assets</b>   |              |   |  |   |
| Land  |              | 159,932,441   | 159,932,441  | 159,932,441   |
| Investments at fair value through other comprehensive income (FVTOCI) | 4            | 463,901,478   | 438,079,218  | 412,136,166   |
| <b>Total non-current assets</b>                                       |              | <b>623,833,919</b>                                    | <b>598,011,659</b>                                 | <b>572,068,607</b>                                    |
| <b>Current assets</b>   |              |   |  |   |
| Investments at fair value through profit or loss (FVTPL)              | 5            | 80,842,531  | 80,961,848   | 89,172,123  |
| Trade accounts receivable and others                                  |              | 2,629,888   | 502,174  | 1,547,454   |
| Cash and cash equivalents   | 6            | 1,312,875   | 738,255  | 1,865,165   |
| <b>Total current assets</b>   |              | <b>84,785,294</b>                                     | <b>82,202,277</b>                                  | <b>92,584,742</b>                                     |
| <b>Assets held for sale (discontinued operations)</b>                 |              | <b>2,531,286</b>                                      | <b>2,533,693</b>                                   | <b>9,903,779</b>                                      |
| <b>TOTAL ASSETS</b>   |              | <b>711,150,499</b>                                    | <b>682,747,629</b>                                 | <b>674,557,128</b>                                    |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>                           |              |   |  |   |
| <b>Shareholders' equity</b>   |              |   |  |   |
| Capital   | 7            | 363,000,000   | 363,000,000  | 363,000,000   |
| Reserves  |              | 28,601,284  | 28,601,284   | 45,932,988  |
| Investments revaluation reserve – FVTOCI                              |              | 132,933,442   | 105,043,115  | 77,404,582  |
| Land revaluation reserve  |              | 126,092,756   | 126,092,756  | 126,092,756   |
| Retained earnings   |              | 24,953,152  | –  | 6,950,622   |
| <b>Total shareholders' equity – Exhibit C</b>                         |              | <b>675,580,634</b>                                    | <b>622,737,155</b>                                 | <b>619,380,948</b>                                    |
| <b>Non-current liability</b>  |              |   |  |   |
| End of service benefit obligation                                     |              | 866,216   | 972,206  | 964,376   |
| <b>Current liabilities</b>  |              |   |  |   |
| Trade accounts payable and others                                     |              | 476,195   | 1,522,620  | 312,816   |
| Unclaimed dividends   |              | 32,905,333  | 33,262,599   | 34,116,682  |
| Bank overdraft  |              | 1,322,121   | 24,253,049   | 19,782,306  |
| <b>Total current liabilities</b>                                      |              | <b>34,703,649</b>                                     | <b>59,038,268</b>                                  | <b>54,211,804</b>                                     |
| <b>Total liabilities</b>  |              | <b>35,569,865</b>                                     | <b>60,010,474</b>                                  | <b>55,176,180</b>                                     |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>                     |              | <b>711,150,499</b>                                    | <b>682,747,629</b>                                 | <b>674,557,128</b>                                    |

  
**SALEM ABDULLA SALEM AL HOSANI**  
 Managing Director

*THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF  
 THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)*

**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
**(FORMERLY UMM AL QAIWAIN CEMENT INDUSTRIES CO.)**  
**A PUBLIC SHAREHOLDING COMPANY**  
**UMM AL QAIWAIN**  
**UNITED ARAB EMIRATES**

**CONDENSED STATEMENT OF INCOME**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016**

**EXHIBIT B-1**

|   |                     | <b><u>For Nine Months Ended</u></b> |                             | <b><u>For Three Months Ended</u></b> |                             |
|---|---------------------|-------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
|   |                     | <b><u>September 30,</u></b>         | <b><u>September 30,</u></b> | <b><u>September 30,</u></b>          | <b><u>September 30,</u></b> |
|   |                     | <b><u>2016</u></b>                  | <b><u>2015</u></b>          | <b><u>2016</u></b>                   | <b><u>2015</u></b>          |
|   | <b><u>Notes</u></b> | <b><u>(Unaudited)</u></b>           | <b><u>(Unaudited)</u></b>   | <b><u>(Unaudited)</u></b>            | <b><u>(Unaudited)</u></b>   |
|   |                     | <b><u>AED</u></b>                   | <b><u>AED</u></b>           | <b><u>AED</u></b>                    | <b><u>AED</u></b>           |
| Profit from investment in shares                        |                     | 26,234,212                          | 20,885,214                  | 321,509                              | 1,026,239                   |
| Changes in fair value of investment at FVTPL            | 5                   | 390,074                             | (14,129,879)                | (1,442,890)                          | (7,544,439)                 |
| Other income  |                     | 378                                 | --                          | 198                                  | --                          |
| Administrative expenses                                 |                     | (2,212,210)                         | (2,770,732)                 | (683,905)                            | (849,373)                   |
| Loss on foreign exchange                                |                     | (37,106)                            | (819,137)                   | --                                   | (799,356)                   |
| Finance costs   |                     | (207,639)                           | (612,672)                   | (816)                                | (237,449)                   |
| <b>Profit for the period from continuing operations</b> |                     | <b><u>24,167,709</u></b>            | <b><u>2,552,794</u></b>     | <b><u>(1,805,904)</u></b>            | <b><u>(8,404,378)</u></b>   |
| <b>Discontinued operations</b>                          |                     |                                     |                             |                                      |                             |
| Loss from discontinued operations                       | 8                   | (693,545)                           | (4,778,541)                 | (171,041)                            | (1,649,133)                 |
| <b>PROFIT FOR THE PERIOD – EXHIBIT B-2</b>              |                     | <b><u>23,474,164</u></b>            | <b><u>(2,225,747)</u></b>   | <b><u>(1,976,945)</u></b>            | <b><u>(10,053,511)</u></b>  |
| <b>Basic earnings per share</b>                         | 9                   | <b><u>0.065</u></b>                 | <b><u>(0.006)</u></b>       | <b><u>(0,005)</u></b>                | <b><u>(0.028)</u></b>       |

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**UMM AL QAIWAIN**  
**UNITED ARAB EMIRATES**

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016**

**EXHIBIT B-2**

|  |                     | <b><u>For Nine Months Ended</u></b> |                             | <b><u>For Three Months Ended</u></b> |                             |
|--|---------------------|-------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
|  | <b><u>Notes</u></b> | <b><u>September 30,</u></b>         | <b><u>September 30,</u></b> | <b><u>September 30,</u></b>          | <b><u>September 30,</u></b> |
|  |                     | <b><u>2016</u></b>                  | <b><u>2015</u></b>          | <b><u>2016</u></b>                   | <b><u>2015</u></b>          |
|  |                     | <b><u>(Unaudited)</u></b>           | <b><u>(Unaudited)</u></b>   | <b><u>(Unaudited)</u></b>            | <b><u>(Unaudited)</u></b>   |
|  |                     | <b><u>AED</u></b>                   | <b><u>AED</u></b>           | <b><u>AED</u></b>                    | <b><u>AED</u></b>           |
| <b>Profit for the period – Exhibit B-1</b>       |                     | <b>23,474,164</b>                   | <b>(2,225,747)</b>          | <b>(1,976,945)</b>                   | <b>(10,053,511)</b>         |
| <b>Other comprehensive income</b>                |                     |                                     |                             |                                      |                             |
| Changes in fair value of investments at FVTOCI   | 4                   | <b>28,825,706</b>                   | <b>(56,543,738)</b>         | <b>44,652,124</b>                    | <b>(4,235,392)</b>          |
| Profit from sale of investments at FVTOCI        |                     | <b>543,609</b>                      | <b>268,459</b>              | <b>--</b>                            | <b>69,304</b>               |
| <b>Total other comprehensive income / (loss)</b> |                     | <b><u>29,369,315</u></b>            | <b><u>(56,275,279)</u></b>  | <b><u>44,652,124</u></b>             | <b><u>(4,166,088)</u></b>   |
| <b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>       |                     |                                     |                             |                                      |                             |
| <b>FOR THE PERIOD – Exhibit C</b>                |                     | <b><u>52,843,479</u></b>            | <b><u>(58,501,026)</u></b>  | <b><u>42,675,179</u></b>             | <b><u>(14,219,599)</u></b>  |

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**UNITED ARAB EMIRATES**

**CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016**

**EX**

| <b>Description</b>   | <b>Capital<br/>AED</b> | <b>Reserves<br/>AED</b> | <b>Investments<br/>revaluation<br/>reserve -FVTOCI<br/>AED</b> | <b>Land<br/>revaluation<br/>reserve<br/>AED</b> | <b>Retained<br/>earnings<br/>AED</b> | <b>Total<br/>AED</b> |
|--|------------------------|-------------------------|--|---|--------------------------------------|----------------------|
| Balance at December 31, 2014 (Audited)                           | 363,000,000            | 45,932,988              | 137,024,051  | 126,092,756                                     | 31,242,179                           | 703,291,974          |
| Profit for the period – Exhibit B – 1                            | --                     | --                      | --   | --  | (2,225,747)                          | (2,225,747)          |
| Other comprehensive loss   | --                     | --                      | (56,543,738)   | --  | 268,459                              | (56,275,279)         |
| Total comprehensive loss for the period – Exhibit B – 2          | --                     | --                      | (56,543,738)   | --  | (1,957,288)                          | (58,501,026)         |
| Dividend paid  | --                     | --                      | --   | --  | (25,410,000)                         | (25,410,000)         |
| Transferred to retained earnings on sale of investment at FVTOCI | --                     | --                      | (3,075,731)  | --  | 3,075,731                            | --                   |
| Balance at September 30, 2015 (Unaudited) – Exhibit A            | 363,000,000            | 45,932,988              | 77,404,582   | 126,092,756                                     | 6,950,622                            | 619,380,948          |
| <b>Balance at December 31, 2015 (Audited) – Exhibit A</b>        | <b>363,000,000</b>     | <b>28,601,284</b>       | <b>105,043,115</b>   | <b>126,092,756</b>                              | <b>--</b>                            | <b>622,737,155</b>   |
| Profit for the period – Exhibit B – 1                            | --                     | --                      | --   | --  | 23,474,164                           | 23,474,164           |
| Other comprehensive income                                       | --                     | --                      | 28,825,706   | --  | 543,609                              | 29,369,315           |
| <b>Total comprehensive income for the period – Exhibit B – 2</b> | <b>--</b>              | <b>--</b>               | <b>28,825,706</b>  | <b>--</b>                                       | <b>24,017,773</b>                    | <b>52,843,479</b>    |
| Transfer to retained earnings on sale of investment at FVTOCI    | --                     | --                      | (935,379)  | --  | 935,379                              | --                   |
| <b>Balance at September 30, 2016 (Unaudited) – Exhibit A</b>     | <b>363,000,000</b>     | <b>28,601,284</b>       | <b>132,933,442</b>   | <b>126,092,756</b>                              | <b>24,953,152</b>                    | <b>675,580,634</b>   |

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**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
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**A PUBLIC SHAREHOLDING COMPANY**  
**UMM AL QAIWAIN**  
**UNITED ARAB EMIRATES**

**CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016**

**EXHIBIT D**

|  | <b><u>September 30,</u></b><br><b><u>2016</u></b><br><b><u>(Unaudited)</u></b><br><b><u>AED</u></b> | <b><u>September 30,</u></b><br><b><u>2015</u></b><br><b><u>(Unaudited)</u></b><br><b><u>AED</u></b> |
|--|---|---|
| <b>Cash Flows from Operating Activities</b>  |   |   |
| Profit for the period – Exhibit B-1  | 23,474,164  | (2,225,747)   |
| <b>Adjustments for:</b>  |   |   |
| Depreciation   | --  | 3,802,409   |
| Provision for coarse cement  | --  | 266,667   |
| End of service benefit   | (105,990)   | (260,977)   |
| Profit from investments in shares  | (26,234,212)  | (20,885,214)  |
| Changes in fair value of investments at FVTPL                                      | (390,074)   | 14,129,879  |
| Loss on foreign exchange   | 37,106  | --  |
| Finance costs  | 207,639   | 612,672   |
| <b>Operating loss before working capital changes</b>                               | <b>(3,011,367)</b>  | <b>(4,560,311)</b>  |
| Decrease in trade accounts receivable and others                                   | 149,812   | 3,791,634   |
| Decrease in trade accounts payable and others                                      | (1,046,425)   | (1,673,562)   |
| <b>Net cash used in operations</b>   | <b>(3,907,980)</b>  | <b>(2,442,239)</b>  |
| Decrease in assets held for sale (discontinued operations)                         | 2,407   | 4,293,184   |
| Finance costs paid   | (207,639)   | (612,672)   |
| <b>Net cash (used in) / provided by operating activities</b>                       | <b>(4,113,212)</b>  | <b>1,238,273</b>  |
| <b>Cash Flows from Investing Activities</b>  |   |   |
| Net movement in investments in shares  | 3,475,731   | 4,201,663   |
| Profit from investments in shares  | 24,500,295  | 20,885,214  |
| <b>Net cash provided by investing activities</b>                                   | <b>27,976,026</b>   | <b>25,086,877</b>   |
| <b>Cash Flows from Financing Activities</b>  |   |   |
| Paid to shareholders   | (357,266)   | (24,205,993)  |
| Bank overdraft   | (22,930,928)  | (819,296)   |
| <b>Net cash used in financing activities</b>                                       | <b>(23,288,194)</b>   | <b>(25,025,289)</b>   |
| <b>Net increase in cash and cash equivalents</b>                                   | <b>574,620</b>  | <b>1,299,861</b>  |
| Cash and cash equivalents at the beginning of the period                           | 738,255   | 565,304   |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD – Note 6 &amp; Exhibit A</b> | <b>1,312,875</b>  | <b>1,865,165</b>  |

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF  
THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**



**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016 (UNAUDITED)**

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**1. GENERAL INFORMATION:**

**Umm Al Qaiwain General Investments Company P.S.C. (Formerly Umm Al Qaiwain Cement Industries Co.)**, a public shareholding company (hereinafter referred to as “**the Company**”), was incorporated in Umm Al Qaiwain by Amiri Decree number 2/82 on February 11, 1982.

The Company was duly registered with the competent governmental authorities according to the law of United Arab Emirates. The Company possesses a factory for manufacturing and trading of cement. The activities of the Company are production and trading of cement and importing the raw materials required for production and trading. The Company is domiciled at Umm Al Qaiwain, United Arab Emirates. The Company had started its commercial production after set-up and establishing the cement factory in October 1993.

The Company’s lifetime period is one hundred years starting from the date recorded in the trade register with the competent authority.

During the year 2015, the Company has discontinued its operations for production and sale of cement as decided in Ordinary General Assembly Meeting. The Company is in process of changing its name and commercial activities by making amendments in memorandum and articles of association and other legal formalities.

The Company has obtained approval to change its commercial activities and trade name to **Umm Al Qaiwain General Investments Company P.S.C.** from Securities and Commodities Authority – UAE (SCA) and new license has been issued by Department of Economic Development – Government of Umm Al Quwain. The Company published the Memorandum of Association in the official newspaper.

**2. ADOPTION OF NEW AND REVISED STANDARDS:**

In the current year, the Company has adopted the new and revised International Financial Reporting Standards (IFRSs) including the International Accounting Standards (IASs) and their interpretation as that are relevant to its operations and effective on the current financial statements.

The directors anticipate that all of the new and revised International Financial Reporting Standards (IFRSs) and interpretation as applicable will be adopted in the Company’s financial statements for the period commencing January 1, 2017 or as and when it is applicable.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016 (UNAUDITED)**

*Continued...*

**3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of preparation:**

This condensed interim financial information has been prepared in accordance with International Accounting Standard No. 34 “Interim Financial Reporting”.

The condensed interim financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition results for the nine-months period ended September 30, 2016 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2016.

**b) Accounting estimates and judgments:**

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of the Company for the year ended December 31, 2015.

**c) Financial risk management:**

All aspects of the Company’s financial risk management objectives and policies are consistent with that disclosed in the financial statements as at December 31, 2015.

**d) Accounting policies:**

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2015.

**UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.**  
**(FORMERLY UMM AL QAIWAIN CEMENT INDUSTRIES Co.)**  
**A PUBLIC SHAREHOLDING COMPANY**  
**UMM AL QAIWAIN**  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE NINE-MONTHS PERIOD ENDED SEPTEMBER 30, 2016 (UNAUDITED)**

*Continued...*

**4. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI):**

a) The transactions over these investments were as follows:

|  | <u>September 30,</u><br><u>2016</u><br><u>(Unaudited)</u><br><u>AED</u> | <u>December 31,</u><br><u>2015</u><br><u>(Audited)</u><br><u>AED</u> | <u>September 30,</u><br><u>2015</u><br><u>(Unaudited)</u><br><u>AED</u> |
|--|---|--|---|
| Fair value at January 1                            | 438,079,218   | 475,113,772  | 475,113,772   |
| Net movement during the period                     | (3,003,446)   | (8,129,349)  | (6,433,868)   |
| Changes in fair value – <b>Exhibit B-2</b>         | 28,825,706  | (28,905,205)   | (56,543,738)  |
| <b>Fair value at end of the period – Exhibit A</b> | <u>463,901,478</u>  | <u>438,079,218</u>   | <u>412,136,166</u>  |

b) Investments at fair value through other comprehensive income (FVTOCI) include shares amounting to AED 19,464,797 being mortgaged to bank against credit facilities.

**5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL):**

The transactions over these investments were as follows:

|  | <u>September 30,</u><br><u>2016</u><br><u>(Unaudited)</u><br><u>AED</u> | <u>December 31,</u><br><u>2015</u><br><u>(Audited)</u><br><u>AED</u> | <u>September 30,</u><br><u>2015</u><br><u>(Unaudited)</u><br><u>AED</u> |
|--|---|--|---|
| Fair value at January 1                            | 80,961,848  | 101,069,797  | 101,069,797   |
| Net movement during the period                     | (509,391)   | 5,370,762  | 2,232,205   |
| Changes in fair value – <b>Exhibit B-1</b>         | 390,074   | (25,478,711)   | (14,129,879)  |
| <b>Fair value at end of the period – Exhibit A</b> | <u>80,842,531</u>   | <u>80,961,848</u>  | <u>89,172,123</u>   |

**6. CASH AND CASH EQUIVALENTS:**

This item consists of the following:

|  | <u>September 30,</u><br><u>2016</u><br><u>(Unaudited)</u><br><u>AED</u> | <u>December 31,</u><br><u>2015</u><br><u>(Audited)</u><br><u>AED</u> | <u>September 30,</u><br><u>2015</u><br><u>(Unaudited)</u><br><u>AED</u> |
|--|---|--|---|
| Petty cash   | 28,182  | 25,996   | 29,734  |
| Cash on hand   | --  | 17,870   | 17,870  |
| Cash at banks – UAE  | 427,720   | 28,145   | 28,144  |
| Cash at banks – Kuwait                                       | 826,486   | 615,691  | 1,738,864   |
| Cash at bank – Qatar   | --  | 20,066   | 20,066  |
| Cash at bank – Oman  | 30,487  | 30,487   | 30,487  |
| <b>Fair value at end of the period – Exhibit (A &amp; D)</b> | <u>1,312,875</u>  | <u>738,255</u>   | <u>1,865,165</u>  |

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*Continued...*

**7. CAPITAL:**

- a) The Company's capital consists of fully paid-up 363,000,000 shares of one Dirham par value for each share.
- b) The Ordinary General Assembly which was held on April 18, 2015, approved the shutdown operations related to the production and sale of cement and focus exclusively on investing activities and asked the Board of Directors proceed immediately to take the necessary action for the implementation of this resolution contained specifically the following:
- i) Stop the production and sale of cement.
- ii) Full equipment sale and factory machines.
- iii) Amendment of the Memorandum of Association and articles of Association in accordance with the investment activity of the company and choose a new name for the company reflects the new activity.
- iv) Call a meeting of an extraordinary general assembly of the company to adopt the amendments to the Memorandum of Association and Articles of Association after obtaining legal and regulatory approvals.

**8. LOSS FROM DISCONTINUED OPERATIONS:**

This item consists of the following:

|  | <b><u>For Nine Month Ended</u></b> |                             | <b><u>For Three Month Ended</u></b> |                             |
|--|------------------------------------|-----------------------------|-------------------------------------|-----------------------------|
|  | <b><u>September 30,</u></b>        | <b><u>September 30,</u></b> | <b><u>September 30,</u></b>         | <b><u>September 30,</u></b> |
|  | <b><u>2016</u></b>                 | <b><u>2015</u></b>          | <b><u>2016</u></b>                  | <b><u>2015</u></b>          |
|  | <b><u>(Unaudited)</u></b>          | <b><u>(Unaudited)</u></b>   | <b><u>(Unaudited)</u></b>           | <b><u>(Unaudited)</u></b>   |
|  | <b><u>AED</u></b>                  | <b><u>AED</u></b>           | <b><u>AED</u></b>                   | <b><u>AED</u></b>           |
| Sales  | --                                 | 6,421,024                   | --                                  | 108,445                     |
| Cost of sales  | --                                 | (7,130,489)                 | --                                  | (490,709)                   |
| <b>Gross loss</b>                                      | --                                 | (709,465)                   | --                                  | (382,264)                   |
| Depreciation   | --                                 | (3,802,409)                 | --                                  | (1,266,869)                 |
| Provision for coarse cement                            | --                                 | (266,667)                   | --                                  | --                          |
| Salaries expense                                       | <b>516,121</b>                     | --                          | <b>120,010</b>                      | --                          |
| Electricity and water                                  | <b>127,155</b>                     | --                          | <b>49,032</b>                       | --                          |
| Miscellaneous expense                                  | <b>50,269</b>                      | --                          | <b>1,999</b>                        | --                          |
| <b>Loss from discontinued operations – Exhibit B-1</b> | <b>693,545</b>                     | (4,778,541)                 | <b>171,041</b>                      | (1,649,133)                 |

**9. BASIC EARNINGS PER SHARE:**

Basic earnings per share are determined by dividing profit for the period over the average number of ordinary stock.

For the period ended September 30, 2016, the profit is AED 23,474,164 (loss for the period ended September 30, 2015 amounts to AED 2,225,747) and the average number of the ordinary shares is 363,000,000 shares (same number of shares for the previous period).

**10. SEGMENT INFORMATION:**

The primary segment reporting format is determined to be business segment as the Company's risks and rate of return are affected predominantly by activity lines. The operating business are organized and managed separately according to the nature of activities, with each segment representing a strategic business unit that offer different business strategies.

The Company stopped the activity of the manufacturing sector in the production and supply of cement to its customers starting from 2015, and therefore the main activity of the Company is in the investment industry as the follow segment revenue and expenses and the results of this sector.

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*Continued...*

**10. SEGMENT INFORMATION: (continued...)**

**Business segments**

The following table demonstrates revenues and profit information and certain assets and liabilities regarding business segments:

| Description  | September 30, 2016 (Unaudited) |                     | December 31, 2015 (Audited) |                     | September 30, 2016 (Unaudited) |                    | December 31, 2015 (Audited) |                    | September 30, 2015 (Unaudited) |                    |
|--|--------------------------------|---------------------|-----------------------------|---------------------|--------------------------------|--------------------|-----------------------------|--------------------|--------------------------------|--------------------|
|  | AED                            | AED                 | AED                         | AED                 | AED                            | AED                | AED                         | AED                | AED                            | AED                |
| Sales  | --                             | 6,421,024           | --                          | 6,421,024           | --                             | 6,421,009          | --                          | 6,421,024          | --                             | 5,936,198          |
| Profit from investments                              | 26,587,558                     | (8,231,281)         | 26,587,558                  | (8,231,281)         | --                             | (13,839,619)       | 26,587,558                  | (8,231,281)        | --                             | 5,936,198          |
| Allocated expenses (Net)                             | (693,545)                      | (10,932,898)        | --                          | (10,932,898)        | --                             | (693,545)          | --                          | (10,932,898)       | --                             | --                 |
| <b>Net segment results</b>                           | <b>25,894,013</b>              | <b>(15,649,891)</b> | <b>26,587,558</b>           | <b>(10,932,898)</b> | <b>(693,545)</b>               | <b>(7,418,610)</b> | <b>26,587,558</b>           | <b>(8,231,281)</b> | <b>(4,511,874)</b>             | <b>5,936,198</b>   |
| Impairment losses on remeasurement of disposal group | --                             | (5,300,000)         | --                          | (5,300,000)         | --                             | --                 | --                          | --                 | --                             | --                 |
| Unallocated expenses                                 | (2,419,849)                    | (5,558,182)         | (2,419,849)                 | (5,558,182)         | --                             | --                 | --                          | --                 | --                             | --                 |
| <b>Profit / (loss) for the period</b>                | <b>23,474,164</b>              | <b>(2,225,747)</b>  | <b>23,474,164</b>           | <b>(2,225,747)</b>  | <b>2,531,286</b>               | <b>2,533,693</b>   | <b>708,619,213</b>          | <b>680,213,936</b> | <b>9,903,779</b>               | <b>664,653,349</b> |
| <b>Segment assets</b>                                | <b>711,150,499</b>             | <b>682,747,629</b>  | <b>711,150,499</b>          | <b>674,557,128</b>  | <b>2,531,286</b>               | <b>2,533,693</b>   | <b>708,619,213</b>          | <b>680,213,936</b> | <b>9,903,779</b>               | <b>664,653,349</b> |
| <b>Segment liabilities</b>                           | <b>35,569,865</b>              | <b>60,010,474</b>   | <b>35,569,865</b>           | <b>55,176,180</b>   | <b>--</b>                      | <b>--</b>          | <b>35,569,865</b>           | <b>60,010,474</b>  | <b>--</b>                      | <b>55,176,180</b>  |
| <b>Other segment information</b>                     |                                |                     |                             |                     |                                |                    |                             |                    |                                |                    |
| Land revaluation surplus                             | 126,092,756                    | 126,092,756         | 126,092,756                 | 126,092,756         | --                             | --                 | 126,092,756                 | 126,092,756        | --                             | 126,092,756        |
| Profit / (loss) from investments at FVTOCI           | 28,825,706                     | (28,905,205)        | 28,825,706                  | (28,905,205)        | --                             | --                 | 28,825,706                  | (28,905,205)       | --                             | (56,543,738)       |
| Capital expenditure (property, plant and equipment)  | --                             | 48,000              | --                          | 48,000              | --                             | 48,000             | --                          | 48,000             | --                             | --                 |
| Depreciation (property, plant and equipment)         | --                             | 5,069,437           | --                          | 3,802,409           | --                             | 5,069,437          | --                          | 3,802,409          | --                             | --                 |

**Company's geographical segments**

The Company's geographical segments are based on the location of the Company's assets. The two geographical segments in which the Company operates comprised of UAE and GCC.

**a) Assets distribution:**

The following table shows the distribution of the Company's segment assets by geographical market:

| Assets  | September 30, 2016 (Unaudited) |             | December 31, 2015 (Audited) |             | September 30, 2016 (Unaudited) |            | December 31, 2015 (Audited) |            | September 30, 2015 (Unaudited) |             |
|---|--------------------------------|-------------|-----------------------------|-------------|--------------------------------|------------|-----------------------------|------------|--------------------------------|-------------|
|   | AED                            | AED         | AED                         | AED         | AED                            | AED        | AED                         | AED        | AED                            | AED         |
| Assets held for sale (discontinued operation) | 708,619,213                    | 680,213,936 | 708,619,213                 | 680,213,936 | 32,524,071                     | 54,644,264 | 35,471,954                  | 67,609,142 | 644,741,982                    | 610,009,085 |
| Total Assets                                  | 2,531,286                      | 2,533,693   | 2,531,286                   | 2,533,693   | --                             | --         | --                          | 2,531,286  | 2,533,693                      | 9,903,779   |
|   | 711,150,499                    | 682,747,629 | 711,150,499                 | 674,557,128 | 32,524,071                     | 54,644,264 | 35,471,954                  | 67,626,428 | 647,275,675                    | 619,912,864 |

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*Continued...*

**10. SEGMENT INFORMATION: (continued...)**

**Company's geographical segments: (continued...)**

**b) Financial assets at fair value distribution:**

The following table demonstrates financial assets information, the geographical allocation and the nature of activities in which invested:

| <b>TOTAL</b>                    | <b>September 30, 2016 (Unaudited) AED</b> | <b>December 31, 2015 (Audited) AED</b> | <b>September 30, 2015 (Unaudited) AED</b> | <b>September 30, 2016 (Unaudited) AED</b> | <b>December 31, 2015 (Audited) AED</b> | <b>September 30, 2015 (Unaudited) AED</b> | <b>September 30, 2015 (Unaudited) AED</b> |
|---------------------------------|---|--|---|---|--|---|---|
| <b>1) Investments at FVTOCI</b> |   |  |   |   |  |   |   |
| Banking sector                  | 406,539,857                               | 375,519,158                            | 346,118,792                               | 754,653                                   | 405,785,204                            | 884,359                                   | 834,413                                   |
| Finance and investment sector   | 11,506,589                                | 13,476,414                             | 13,740,796                                | 7,674,089                                 | 3,832,500                              | 8,680,314                                 | 8,659,996                                 |
| Real estate sector              | 13,504,995                                | 16,627,260                             | 17,760,278                                | 6,173,595                                 | 7,331,400                              | 15,155,268                                | 15,887,555                                |
| Industrial sector               | 10,679,049                                | 9,758,873                              | 10,349,081                                | 6,981,255                                 | 3,697,794                              | 5,531,197                                 | 6,025,174                                 |
| Services sector                 | 21,670,988                                | 22,697,513                             | 24,167,219                                | 6,756,591                                 | 14,914,397                             | 8,814,666                                 | 9,697,540                                 |
| <b>Total</b>                    | <b>463,901,478</b>                        | <b>438,079,218</b>                     | <b>412,136,166</b>                        | <b>28,340,183</b>                         | <b>435,561,295</b>                     | <b>39,065,804</b>                         | <b>41,104,678</b>                         |
| <b>2) Investments at FVTPL</b>  |   |  |   |   |  |   |   |
| Banking sector                  | 39,329,670                                | 37,703,139                             | 41,869,933                                | 957,592                                   | 38,372,078                             | 948,111                                   | 1,052,403                                 |
| Finance and investment sector   | 2,070,000                                 | 2,020,000                              | 2,370,000                                 | --  | 2,070,000                              | --  | --  |
| Real estate sector              | 18,648,638                                | 17,043,059                             | 20,679,344                                | --  | 18,648,638                             | --  | --  |
| Industrial sector               | 15,464,223                                | 20,435,650                             | 21,392,846                                | --  | 15,464,223                             | --  | 10,697,766                                |
| Services sector                 | 5,330,000                                 | 3,760,000                              | 2,860,000                                 | --  | 5,330,000                              | --  | --  |
| <b>Total</b>                    | <b>80,842,531</b>                         | <b>80,961,848</b>                      | <b>89,172,123</b>                         | <b>957,592</b>                            | <b>79,884,939</b>                      | <b>948,111</b>                            | <b>11,750,169</b>                         |
| <b>Total financial assets</b>   | <b>544,744,009</b>                        | <b>519,041,066</b>                     | <b>501,308,289</b>                        | <b>29,297,775</b>                         | <b>515,446,234</b>                     | <b>40,013,915</b>                         | <b>52,854,847</b>                         |

**11. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION:**

The condensed interim financial information has been approved by the Company's management for issue on November 13, 2016.

**12. GENERAL:**

- a) Prior period/year's figures have been reclassified wherever necessary for the purpose of comparison.
- b) The figures in this condensed interim financial information are rounded to the nearest Dirham of United Arab Emirates.