



Directors' Report

The Board of Directors has the pleasure in presenting the audited consolidated financial statements of Sharjah Cement and Industrial Development Co. (PJSC) ("the Company") and its subsidiary (collectively referred to as the "Group") for the year ended 31 December 2020.

Principal activities

The Group is engaged in the manufacture and supply of cement, paper sacks and plastic ropes. The Group invests its surplus funds in investment securities, private equities and properties. The Group operates from Sharjah, United Arab Emirates and sells its products in the UAE and certain other countries in the Middle East, Africa and Asia.

Results for the year ended 31 December 2020

Consolidated Income Statement of the Group for the year ended 31 December 2020 is presented on page 10 and Consolidated Balance Sheet of the Group as of 31 December 2020 is presented on page 12 of the consolidated financial statements.

The Group has reported sales of AED 431,627 thousand (2019: AED 580,107 thousand) while the net Loss for the year was AED 70,636 thousand (2019: Profit AED 12,070 thousand). Shareholders' equity at 31 December 2020 was AED 1,320,601 thousand (2019: AED 1,415,836 thousand).

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 consolidated financial statements for the year ended 31 December 2020.

Transactions with related Parties

The consolidated financial statements disclose related party transactions and balances in note 26. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

Auditors

Ernst & Young were appointed as external auditors for the Group for the year ended 31 December 2020, and they have expressed their willingness to continue in office once elected at the forthcoming Annual General Meeting.

Chairman
11 March 2021

ص.ب: ٢٠٨٣، برج الحصن الطابق ١٤، شارع البنوك الرولة - الشارقة، الامارات العربية المتحدة

P.O. Box 2083, Al Hisn Tower - 14th Floor, Bank Street, Rolla - Sharjah, United Arab Emirates

هاتف: ٠٣-٠٢-٥٦٨٦١٠٢/٥٦٨٤٦٨١/٥٦٩٥٦٦٦-٠٦، فاكس: ٥٦٨٣١٧١، 5683171، 5684681/5686102-03، 06-5695666

E-mail: scidcho@eim.ae, Website: www.sharjahcement.com