

# **Sharjah Cement and Industrial Development Co. (PJSC)**

## **INTERIM CONDENSED FINANCIAL STATEMENTS**

**30 JUNE 2016 (UNAUDITED)**

## **REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SHARJAH CEMENT AND INDUSTRIAL DEVELOPMENT CO. (PJSC)**

### ***Introduction***

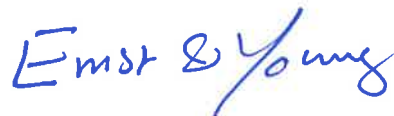
We have reviewed the accompanying interim condensed financial statements of Sharjah Cement and Industrial Development Co. (PJSC) (the “Company”) as at 30 June 2016, comprising the interim statement of financial position as at 30 June 2016 and the related interim statements of income and comprehensive income for the three-month and six-month periods then ended and the related interim statements of cash flows and changes in equity for the six-month period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### ***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.



Signed by:  
Ashraf Abu-Sharkh  
Partner  
Registration No.: 690

31 July 2016

Sharjah, United Arab Emirates

# Sharjah Cement and Industrial Development Co. (PJSC)

## INTERIM STATEMENT OF INCOME

For the six months ended 30 June 2016 (Unaudited)

	<i>Notes</i>	<i>Three months ended</i>		<i>Six months ended</i>	
		<i>30 June</i>		<i>30 June</i>	
		<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
		<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Sales		<b>168,786</b>	161,947	<b>342,999</b>	322,871
Cost of sales		<b>(154,114)</b>	(145,544)	<b>(310,274)</b>	(290,589)
<b>GROSS PROFIT</b>		<b>14,672</b>	16,403	<b>32,725</b>	32,282
General and administration expenses		<b>(3,859)</b>	(3,987)	<b>(7,428)</b>	(7,775)
Selling and distribution costs		<b>(1,343)</b>	(1,215)	<b>(2,469)</b>	(2,321)
Investment income	3	<b>10,271</b>	12,851	<b>10,120</b>	14,411
Miscellaneous income, net		<b>1,148</b>	548	<b>2,055</b>	1,812
Finance costs		<b>(3,082)</b>	(3,205)	<b>(5,817)</b>	(5,786)
<b>PROFIT FOR THE PERIOD</b>		<b>17,807</b>	21,395	<b>29,186</b>	32,623
Basic and diluted earnings per share (AED)	4	<b>0.032</b>	0.039	<b>0.053</b>	0.059

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

# Sharjah Cement and Industrial Development Co. (PJSC)

## INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2016 (Unaudited)

	Note	Three months ended 30 June		Six months ended 30 June	
		2016 AED'000	2015 AED'000	2016 AED'000	2015 AED'000
<b>Profit for the period</b>		<b>17,807</b>	<b>21,395</b>	<b>29,186</b>	<b>32,623</b>
<b>Other comprehensive income</b>					
<i>Other comprehensive income that could be reclassified to profit or loss in subsequent periods:</i>					
Net (decrease)/ increase in fair value of available for sale investments	10	(6,726)	8,708	(16,114)	(3,214)
Net realised (gain)/ loss on disposal of available for sale investments transferred to income statement	10	(18)	(3,485)	1,143	(3,485)
<b>Other comprehensive income for the period</b>		<b>(6,744)</b>	<b>5,223</b>	<b>(14,971)</b>	<b>(6,699)</b>
<b>Total comprehensive income for the period</b>		<b>11,063</b>	<b>26,618</b>	<b>14,215</b>	<b>25,924</b>

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

# Sharjah Cement and Industrial Development Co. (PJSC)

## INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2016 (Unaudited)

		30 June 2016 AED'000	(Audited) 31 December 2015 AED'000	30 June 2015 AED'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		865,570	857,745	869,963
Investment properties	5	113,109	114,102	115,095
Investment in associate	6	42,125	42,125	42,125
Available for sale investments	5	246,115	278,653	325,004
		<u>1,266,919</u>	<u>1,292,625</u>	<u>1,352,187</u>
<b>Current assets</b>				
Inventories		250,340	264,137	242,731
Accounts receivable and prepayments		246,083	223,887	238,841
Trading securities	5	9,433	9,618	10,371
Bank balances and cash	7	42,156	60,857	92,559
		<u>548,012</u>	<u>558,499</u>	<u>584,502</u>
<b>TOTAL ASSETS</b>		<u><u>1,814,931</u></u>	<u><u>1,851,124</u></u>	<u><u>1,936,689</u></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Share capital		552,958	552,958	552,958
Statutory reserve	8	334,091	334,091	334,091
General reserve	9	226,373	226,373	226,373
Retained earnings		216,349	187,163	198,695
Cumulative changes in fair value	10	37,909	52,880	98,645
Proposed cash dividend	14	-	38,707	-
<b>Total equity</b>		<u>1,367,680</u>	<u>1,392,172</u>	<u>1,410,762</u>
<b>Non-current liabilities</b>				
Term loan		105,778	127,137	167,650
Employees' end of service benefits		25,342	27,001	26,785
		<u>131,120</u>	<u>154,138</u>	<u>194,435</u>
<b>Current liabilities</b>				
Accounts payable and accruals		103,097	110,507	115,413
Payable against construction of property, plant and equipment		2,610	6,035	8,431
Bank overdrafts	7	-	-	178
Current portion of term loan		81,025	85,925	85,925
Short term loans		129,399	102,347	115,027
Dividends payable		-	-	6,518
		<u>316,131</u>	<u>304,814</u>	<u>331,492</u>
<b>Total liabilities</b>		<u>447,251</u>	<u>458,952</u>	<u>525,927</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,814,931</u></u>	<u><u>1,851,124</u></u>	<u><u>1,936,689</u></u>



P. Batavia  
Chief Executive

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

# Sharjah Cement and Industrial Development Co. (PJSC)

## INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2016 (Unaudited)

	Notes	30 June	
		2016 AED'000	2015 AED'000
<b>OPERATING ACTIVITIES</b>			
Profit for the period		29,186	32,623
Adjustments for:			
Depreciation on property, plant and equipment		25,378	24,475
Depreciation on investment properties		993	989
Provision for employees' end of service benefits		1,177	2,376
Profit on sale of property, plant and equipment		(213)	(433)
Net (gain)/ loss on sale of trading securities	3	(59)	72
Net gain on sale of available for sale investments	3	1,143	(3,485)
Provision for impairment of available for sale investments	5	1,500	5,000
Changes in fair values of trading securities	3	732	468
Dividend and other investment income	3	(9,962)	(11,466)
Net gain on sale of investments in funds	3	(1,974)	-
Interest expense		5,817	5,786
		<u>53,718</u>	<u>56,405</u>
Working capital changes:			
Inventories		13,797	35,117
Receivables		(22,196)	(42,149)
Payables		(9,806)	(20,657)
		<u>35,513</u>	<u>28,716</u>
Cash from operations		35,513	28,716
Employees' end of service benefits paid		(2,836)	(805)
		<u>32,677</u>	<u>27,911</u>
<b>INVESTING ACTIVITIES</b>			
Net movement in trading securities		(488)	4,754
Purchase of property, plant and equipment		(33,203)	(38,464)
Payable against construction of property, plant and equipment		(3,425)	2,090
Dividend and other investment income	3	9,962	11,466
Net gain on sale of investments in funds	3	1,974	-
Purchase of investment properties		-	(5,351)
Purchase of available for sale investments	5	(2,055)	(16,304)
Proceeds from disposal of available for sale investments	5	16,979	19,197
Proceeds from sale of property, plant and equipment		213	433
		<u>(10,043)</u>	<u>(22,179)</u>
<b>FINANCING ACTIVITIES</b>			
Proceeds from term loans		19,153	58,800
Proceeds from short term loans		233,272	145,063
Term loan repaid		(45,412)	(14,700)
Short term loans repaid		(206,220)	(104,314)
Dividends paid		(38,707)	(48,778)
Interest paid		(3,421)	(3,282)
		<u>(41,335)</u>	<u>32,789</u>
Net cash (used in)/ from financing activities		(41,335)	32,789
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		<u>(18,701)</u>	<u>38,521</u>
Cash and cash equivalents at 1 January		60,857	53,860
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	7	<u><u>42,156</u></u>	<u><u>92,381</u></u>

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

## Sharjah Cement and Industrial Development Co. (PJSC)

### INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2016 (Unaudited)

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Retained earnings AED '000	Cumulative changes in fair value AED '000	Proposed cash dividend AED '000	Total AED '000
At 1 January 2016 (Audited)	552,958	334,091	226,373	187,163	52,880	38,707	1,392,172
Profit for the period	-	-	-	29,186	-	-	29,186
Other comprehensive income for the period	-	-	-	-	(14,971)	-	(14,971)
Total comprehensive income for the period	-	-	-	29,186	(14,971)	-	14,215
Dividends paid (Note 14)	-	-	-	-	-	(38,707)	(38,707)
<b>At 30 June 2016</b>	<b>552,958</b>	<b>334,091</b>	<b>226,373</b>	<b>216,349</b>	<b>37,909</b>	<b>-</b>	<b>1,367,680</b>
At 1 January 2015 (Audited)	552,958	334,091	226,373	166,072	105,344	55,296	1,440,134
Profit for the period	-	-	-	32,623	-	-	32,623
Other comprehensive income for the period	-	-	-	-	(6,699)	-	(6,699)
Total comprehensive income for the period	-	-	-	32,623	(6,699)	-	25,924
Dividends payable transferred to current liabilities (Note 14)	-	-	-	-	-	(55,296)	(55,296)
<b>At 30 June 2015</b>	<b>552,958</b>	<b>334,091</b>	<b>226,373</b>	<b>198,695</b>	<b>98,645</b>	<b>-</b>	<b>1,410,762</b>

The attached explanatory notes 1 to 14 form part of the interim condensed financial statements.

# Sharjah Cement and Industrial Development Co. (PJSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

### 1 ACTIVITIES

Sharjah Cement and Industrial Development Co. (PJSC) (the “Company”) was incorporated in Sharjah, United Arab Emirates in 1977 under an Emiri Decree issued by H.H. The Ruler of Sharjah and has since been registered under the Commercial Companies Law No. 8 of 1984 (as amended) as a public joint stock company. The Federal Law No.2 of 2015, concerning Commercial Companies has come into effect from 28 June 2015, replacing the existing Federal Law No.8 of 1984. The Company is currently assessing the impact of the new law and expects to be fully compliant on or before the end of the grace period on 30 June 2017. It is engaged in the manufacture and supply of cement, paper sacks and plastic ropes. The Company invests its surplus funds in investment securities, private equities and properties.

The Company operates from Sharjah, UAE and sells its products in the UAE and certain other countries in the Middle East, Africa and Asia. The Company’s registered office is at P O Box 2083 Sharjah, UAE. The shares of the Company are traded on the Abu Dhabi Securities Market and the Kuwait Stock Exchange.

These interim condensed financial statements were authorised for issue on 31 July 2016.

### 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2015 except for the adoption of the new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2016. The adoption of these standards and interpretations did not have any material impact on the financial position or performance of the Company during the period.

#### Interim reporting

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company’s annual financial statements as of 31 December 2015. In addition, results for the six months ended 30 June 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

### 3 INVESTMENT INCOME

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>AED’000</i>	<i>AED’000</i>	<i>AED’000</i>	<i>AED’000</i>
<b>Realised gains</b>				
Net gain/ (loss) on sale of available for sale securities	18	3,485	(1,143)	3,485
Net gain/ (loss) on sale of trading securities	-	(27)	59	(72)
Net gain on sale of investments in funds	2,114	-	1,974	-
	<u>2,132</u>	<u>3,458</u>	<u>890</u>	<u>3,413</u>
<b>Fair value movements</b>				
Changes in fair value of trading securities	(286)	(405)	(732)	(468)



# Sharjah Cement and Industrial Development Co. (PJSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

### 3 INVESTMENT INCOME (continued)

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2016</i>	<i>2015</i>	<i>2016</i>	<i>2015</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
<b>Other investment income</b>				
Rental income from investment properties, net of depreciation	919	768	1,794	1,569
Dividend income - available for sale investments	6,563	7,017	8,398	10,790
Interest income	188	218	294	517
(Loss)/ profit on derivatives	(536)	1,803	(1,815)	(1,454)
Others	1,291	(8)	1,291	44
	<u>8,425</u>	<u>9,798</u>	<u>9,962</u>	<u>11,466</u>
	<u>10,271</u>	<u>12,851</u>	<u>10,120</u>	<u>14,411</u>

### 4 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit for the period by the weighted average number of shares outstanding during the period of 552,958 thousand shares as follows

	<i>Six months ended 30 June</i>	
	<i>2016</i>	<i>2015</i>
Profit for the year	<u>AED 29,185,565</u>	<u>AED 32,622,789</u>
Weighted average number of shares outstanding during the year	<u>552,957,951</u>	<u>552,957,951</u>
Basic earnings per share	<u>AED 0.053</u>	<u>AED 0.059</u>

The Company has not issued any instruments which would have any impact on earnings per share when exercised. Based on this, the diluted earnings per share is as follows:

	<i>2016</i>	<i>2015</i>
Diluted earnings per share	<u>AED 0.053</u>	<u>AED 0.059</u>



# Sharjah Cement and Industrial Development Co. (PJSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

### 5 INVESTMENTS (continued)

Movements in the available for sale investments were as follows:

	<i>Six months ended 30 June 2016 AED'000</i>	<i>(Audited) Year ended 31 December 2015 AED'000</i>	<i>Six months ended 30 June 2015 AED'000</i>
At 1 January	278,653	336,111	336,111
Purchased during the period/year	2,055	21,282	16,304
Changes in fair value	(16,114)	(48,979)	(3,214)
Disposed during the period/year	(16,979)	(24,761)	(19,197)
Provision for impairment of available for sale investments	(1,500)	(5,000)	(5,000)
At the end of the period/year	<u>246,115</u>	<u>278,653</u>	<u>325,004</u>

### 6 INVESTMENT IN ASSOCIATE

	<i>30 June 2016 AED'000</i>	<i>(Audited) 31 December 2015 AED'000</i>	<i>30 June 2015 AED'000</i>
Investment in associate	<u>42,125</u>	<u>42,125</u>	<u>42,125</u>

The investment in associate represents a 34.48% (2015: 34.48%) holding in Auto Line Industrial Parks Limited, which is registered in India. The investment in Auto Line Industrial Parks Limited is treated as an investment in an associate as the Company does not have the power to govern the financial and operating policies of the investee company.

### 7 CASH AND CASH EQUIVALENTS

	<i>30 June 2016 AED'000</i>	<i>(Audited) 31 December 2015 AED'000</i>	<i>30 June 2015 AED'000</i>
Bank balances and cash	42,156	60,857	92,559
Bank overdrafts	-	-	(178)
	<u>42,156</u>	<u>60,857</u>	<u>92,381</u>

Bank balances and cash include balances amounting to AED 14,286 thousand (31 December 2015: AED 8,339 thousand) placed with foreign banks abroad.

### 8 STATUTORY RESERVE

As required by the UAE Commercial Companies Law and the Company's Articles of Association, at least 10% of the profit for the year is to be transferred to statutory reserve. Such transfers may be discontinued when the reserve totals 50% of the issued share capital. No transfer has been made during the six months period to 30 June 2016, as this will be based on the results for the year. The reserve is not available for distribution, except in the circumstances stipulated by the law.

# Sharjah Cement and Industrial Development Co. (PJSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

### 9 GENERAL RESERVE

No transfer has been made to the general reserve during the six months period to 30 June 2016, as this will be based on the results for the year.

### 10 CUMULATIVE CHANGES IN FAIR VALUE

	<i>30 June</i> <i>2016</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2015</i> <i>AED'000</i>	<i>30 June</i> <i>2015</i> <i>AED'000</i>
<i>Available for sale securities</i>			
At 1 January	52,880	105,344	105,344
Net decrease in fair value during the period/year	(16,114)	(48,979)	(3,214)
Less: realised loss/ (gain) during the period/year	1,143	(3,485)	(3,485)
At the end of the period/year	<u>37,909</u>	<u>52,880</u>	<u>98,645</u>

### 11 SEGMENT INFORMATION

#### *Primary segment information*

For management purposes, the Company is organised into two major operating segments as follows:

- Manufacturing segment comprises cement, paper sacks and ropes products.
- Investment segment comprises investment and cash management for the Company's own account.

*Manufacturing* segment is organised into three operating business units as follows:

- Cement division is engaged in the manufacture and supply of cement.
- Paper sacks division is engaged in the manufacture and supply of paper sacks.
- Ropes division is engaged in the manufacture and supply of plastic ropes.

*Investment* segment is organised into two business units as follows:

- Investment and letting out of properties, mainly in the UAE and Kuwait.
- Investment in public and private equities & funds, mainly in the GCC and Asia.

The above segments are the basis on which the management monitors the operating results of these segments for the purpose of making decisions about resource allocation and performance assessment. Transactions between segments are eliminated on consolidation.

# Sharjah Cement and Industrial Development Co. (PJSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

### 11 SEGMENT INFORMATION (continued)

Segmental information is presented below:

<i>30 June 2016</i>	<i>Investment AED'000</i>	<i>Cement factory AED'000</i>	<i>Papersack factory AED'000</i>	<i>Gulf Rope &amp; Plastic Products AED'000</i>	<i>Inter-segment elimination AED'000</i>	<i>Total AED'000</i>
<b>Manufacturing</b>						
Sales	-	298,698	21,300	25,886	(2,885)	342,999
Cost of sales	-	(268,416)	(16,928)	(25,538)	608	(310,274)
Gross profit	-	30,282	4,372	348	(2,277)	32,725
Miscellaneous income	-	2,041	100	19	(1,052)	1,108
Expenses	-	(2,327)	(1,988)	(1,151)	1,225	(4,241)
Net segment results	-	29,996	2,484	(784)	(2,104)	29,592
<b>Investment</b>						
Income from investment in private and public equities and funds	9,847	-	-	-	-	9,847
Loss on derivatives	(1,815)	-	-	-	-	(1,815)
Interest income	1,356	23	6	1	(1,092)	294
	9,388	23	6	1	(1,092)	8,326
Income from investment properties	2,787	-	-	-	-	2,787
Depreciation	(993)	-	-	-	-	(993)
	1,794	-	-	-	-	1,794
Net segment results	11,182	23	6	1	(1,092)	10,120
<i>Finance costs</i>	(4,339)	(1,442)	(1,106)	(22)	1,092	(5,817)
<i>Unallocated income and expenses-Head office</i>	(6,814)	-	-	-	2,104	(4,710)
<i>Unrealized profit on stock</i>	-	-	-	-	1	1
<b>Profit (loss) for the period</b>	<b>29</b>	<b>28,577</b>	<b>1,384</b>	<b>(805)</b>	<b>1</b>	<b>29,186</b>

# Sharjah Cement and Industrial Development Co. (PJSC)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

### 11 SEGMENT INFORMATION (continued)

30 June 2015	<i>Investment</i> AED'000	<i>Cement</i> <i>factory</i> AED'000	<i>Papersack</i> <i>factory</i> AED'000	<i>Gulf Rope</i> <i>&amp; Plastic</i> <i>Products</i> AED'000	<i>Inter-segment</i> <i>elimination</i> AED'000	<i>Total</i> AED'000
<i>Manufacturing</i>						
Sales	-	275,694	16,088	33,874	(2,785)	322,871
Cost of sales	-	(243,306)	(12,780)	(34,655)	152	(290,589)
Gross profit	-	32,388	3,308	(781)	(2,633)	32,282
Miscellaneous income	-	1,643	103	28	(114)	1,660
Expenses	-	(2,285)	(1,896)	(1,382)	1,282	(4,281)
Net segment results	-	31,746	1,515	(2,135)	(1,465)	29,661
<i>Investment</i>						
Income from investment in private and public equities and funds	13,779	-	-	-	-	13,779
Loss on derivatives	(1,454)	-	-	-	-	(1,454)
Interest income	1,834	16	5	-	(1,338)	517
	14,159	16	5	-	(1,338)	12,842
Income from investment properties	2,558	-	-	-	-	2,558
Depreciation	(989)	-	-	-	-	(989)
	1,569	-	-	-	-	1,569
Net segment results	15,728	16	5	-	(1,338)	14,411
<i>Finance costs</i>	(4,670)	(1,077)	(1,361)	(16)	1,338	(5,786)
<i>Unallocated income and</i> <i>expenses-Head office</i>	(7,124)	-	-	-	1,465	(5,659)
<i>Unrealized profit on stock</i>	-	-	-	-	(4)	(4)
Profit (loss) for the period	3,934	30,685	159	(2,151)	(4)	32,623

Sharjah Cement and Industrial Development Co. (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information

Segmental information in respect of assets and liabilities relating to the Company's operating segments is as follows:

30 June 2016

	<i>Manufacturing</i>						<i>Total AED'000</i>
	<i>Cement Factory AED'000</i>	<i>Paper sack factory AED'000</i>	<i>Gulf Rope &amp; Plastic products AED'000</i>	<i>Total AED'000</i>	<i>Unallocated Assets &amp; Liabilities- Head Office AED'000</i>	<i>Total AED'000</i>	
Segment assets	1,182,763	64,133	108,359	1,355,255	11,905	1,367,160	1,814,931
Segment liabilities	84,002	6,352	7,637	97,991	348,153	446,144	447,251
Depreciation	22,834	130	2,148	25,112	266	25,378	26,371
Capital expenditure	10,634	21,841	249	32,724	479	33,203	33,203

Sharjah Cement and Industrial Development Co. (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

11 SEGMENT INFORMATION (continued)

Other segment information (continued)

30 June 2015

	Manufacturing						Total AED '000	Investment AED '000	Total AED '000
	Cement Factory AED '000	Paper sack factory AED '000	Gulf Rope & Plastic products AED '000	Total AED '000	Unallocated Assets & Liabilities- Head Office AED '000	Total AED '000			
Segment assets	1,188,652	69,919	114,795	1,373,366	53,225	1,426,591	510,098	1,936,689	
Segment liabilities	101,996	5,638	13,716	121,350	404,577	525,927	-	525,927	
Depreciation	22,020	106	2,159	24,285	190	24,475	989	25,464	
Capital expenditure	32,347	5,582	223	38,152	312	38,464	-	38,464	



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

As at 30 June 2016 (Unaudited)

**12 SEASONALITY OF RESULTS**

Investment income (note 3) depends on market conditions, investment activities of the Company and declaration of profits by investee companies, which are of a seasonal nature. Furthermore, sales are affected by construction activities in the region as well as the economic climate and meteorological conditions. Accordingly, results for the period ended 30 June 2016 are not comparable to those relating to the comparative period, and are not indicative of the results that might be expected for the year ending 31 December 2016.

**13 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

**Commitment**

Estimated capital expenditure commitment at the statement of financial position date amounted to AED 3,736 thousand (31 December 2015: AED 27,275 thousand).

The Company also has commitments for AED 6,268 thousand (31 December 2015: AED 6,359 thousand) on account of investments made in securities and funds. The Company has to pay as and when calls are made by the fund's managers/investee companies.

**Contingent liability**

At 30 June 2016, the Company had contingent liabilities in respect of bank guarantees relating to performance bonds, from which it is anticipated that no material liabilities will arise, amounting to AED 4,309 thousand (31 December 2015: AED 2,631 thousand).

**14 DIVIDENDS**

The Board of Directors had proposed a cash dividend amounting to AED 38,707 thousand at AED 0.07 per share of AED 1 each. No scrip dividend was proposed. Subsequently, the shareholders, at the annual general meeting held on 2 April 2016, approved a cash dividend amounting to AED 38,707 thousand at AED 0.07 per share of AED 1 each.