

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

CONDENSED INTERIM FINANCIAL
INFORMATION AND REVIEW REPORT
FOR THE THREE-MONTH PERIOD ENDED
MARCH 31, 2018

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

CONDENSED INTERIM FINANCIAL INFORMATION AND REVIEW REPORT
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

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Report on Review of Condensed Interim Financial Information

Messrs The Board of Directors,
Umm Al Qaiwain General Investments Company
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 as at March 31, 2018 and the related condensed statements of profit or loss, comprehensive income, changes in shareholders' equity and cash flows for the three-month 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".

TALAL ABU-GHAZALEH & CO. INTERNATIONAL
TALAT ZABEN
LICENSED AUDITOR NO. 68

Ras Al Khaimah,
April 24, 2018

UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.

A PUBLIC SHAREHOLDING COMPANY

UMM AL QAIWAIN


UNITED ARAB EMIRATES

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018

EXHIBIT A

| ASSETS | Notes | March 31, 2018 (Unaudited) AED | December 31, 2017 (Audited) AED | March 31, 2017 (Unaudited) AED |
|--|-------|---|--|---|
| Non-current assets | | | | |
| Land | | 330,925,540 | 330,925,540 | 159,932,441 |
| Investments at fair value through other Comprehensive income (FVTOCI) | 4 | <u>371,322,020</u> | <u>374,436,666</u> | <u>393,615,325</u> |
| Total non-current assets | | <u>702,247,560</u> | <u>705,362,206</u> | <u>553,547,766</u> |
| Current assets | | | | |
| Investments at fair value through profit or loss (FVTPL) | 5 | 60,150,697 | 76,858,287 | 86,858,207 |
| Trade accounts receivable and other receivables | | 2,631,447 | 151,972 | 341,826 |
| Accrued dividends | | 11,501,597 | -- | 12,375,054 |
| Cash and cash equivalents | 6 | <u>13,484,613</u> | <u>20,997,149</u> | <u>2,297,842</u> |
| Total current assets | | <u>87,768,354</u> | <u>98,007,408</u> | <u>101,872,929</u> |
| Assets held for sale (discontinued operations) | | -- | -- | <u>2,531,286</u> |
| TOTAL ASSETS | | <u>790,015,914</u> | <u>803,369,614</u> | <u>657,951,981</u> |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | |
| Shareholders' equity | | | | |
| Capital | 7 | 363,000,000 | 363,000,000 | 363,000,000 |
| Reserves | | 33,223,018 | 33,223,018 | 31,502,072 |
| Investments revaluation reserve – FVTOCI | | 26,557,806 | 36,342,998 | 64,575,930 |
| Land revaluation reserve | | 297,085,855 | 297,085,855 | 126,092,756 |
| Retained earnings | | <u>21,582,786</u> | <u>33,788,091</u> | <u>15,535,014</u> |
| Net shareholders' equity – Exhibit C | | <u>741,449,465</u> | <u>763,439,962</u> | <u>600,705,772</u> |
| Non-current liability | | | | |
| End of service benefit obligation | | <u>627,868</u> | 716,174 | <u>887,340</u> |
| Current liabilities | | | | |
| Accounts payable and other payables | 8 | 46,721,194 | 37,993,951 | 47,455,772 |
| Bank overdraft | | <u>1,217,387</u> | <u>1,219,527</u> | <u>8,903,097</u> |
| Total current liabilities | | <u>47,938,581</u> | <u>39,213,478</u> | <u>56,358,869</u> |
| Total liabilities | | <u>48,566,449</u> | <u>39,929,652</u> | <u>57,246,209</u> |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | <u>790,015,914</u> | <u>803,369,614</u> | <u>657,951,981</u> |

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


MOHAMMED SALEM ABDULLA SALEM AL HOSANI
MANAGING DIRECTOR

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

CONDENSED STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

EXHIBIT B-1

| | | <u>Three-month period ended</u> | |
|---|---------------------|--|---------------------------|
| | <u>Notes</u> | <u>March 31,</u> | <u>March 31,</u> |
| | | <u>2018</u> | <u>2017</u> |
| | | <u>(Unaudited)</u> | <u>(Unaudited)</u> |
| | | <u>AED</u> | <u>AED</u> |
| Profit from investment in shares | 9 | 15,967,387 | 14,440,019 |
| Changes in fair value of investment at FVTPL | 5 | (1,505,590) | 693,794 |
| Administrative expenses | | (807,197) | (765,429) |
| Loss on foreign exchange | | -- | (12,540) |
| Finance costs | | (950) | (2,950) |
| Profit for the period from continuing operations | | 13,653,650 | 14,352,894 |
| <hr/> | | | |
| Discontinued operations | | | |
| Loss from discontinued operations | 10 | -- | (107,519) |
| PROFIT FOR THE PERIOD – EXHIBIT B-2 | | 13,653,650 | 14,245,375 |
| <hr/> | | | |
| Basic earnings per share | 11 | 0.038 | 0.039 |
| | | ===== | ===== |

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

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

CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

EXHIBIT B-2

| | | <u>Three-month period ended</u> | |
|--|---------------------|---|---|
| | <u>Notes</u> | <u>March 31,</u> <u>2018</u> <u>(Unaudited)</u> <u>AED</u> | <u>March 31,</u> <u>2017</u> <u>(Unaudited)</u> <u>AED</u> |
| Profit for the period – Exhibit B-1 | | 13,653,650 | 14,245,375 |
| <u>Other comprehensive income</u> | | | |
| Changes in fair value of investments at FVTOCI | 4 | (9,345,210) | 3,316,920 |
| Profit from sale of investments at FVTOCI | | 511,063 | 30,250 |
| Total other comprehensive (loss) / income | | <u>(8,834,147)</u> | <u>3,347,170</u> |
| TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD – EXHIBIT C | | 4,819,503 ===== | 17,592,545 ===== |

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

UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES
CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED MARCH 31, 2018

EXHIBIT C

| Description | Capital AED | Reserves AED | Investments revaluation reserve - FVTOCI AED | Land revaluation reserve AED | Retained earnings AED | Net AED |
|---|------------------------|-------------------------|---|---|--------------------------------------|--------------------|
| Balance at December 31, 2016 (Audited) | 363,000,000 | 31,502,072 | 61,329,952 | 126,092,756 | 27,598,447 | 609,523,227 |
| Profit for the period – Exhibit B – 1 | -- | -- | -- | -- | 14,245,375 | 14,245,375 |
| Other comprehensive income | -- | -- | 3,316,920 | -- | 30,250 | 3,347,170 |
| Total comprehensive income for the period – Exhibit B – 2 | -- | -- | 3,316,920 | -- | 14,275,625 | 17,592,545 |
| Dividends distribution | -- | -- | -- | -- | (25,410,000) | (25,410,000) |
| Board of directors' remuneration | -- | -- | -- | -- | (1,000,000) | (1,000,000) |
| Transfer to retained earnings on sale of investment at FVTOCI | -- | -- | (70,942) | -- | 70,942 | -- |
| Balance at March 31, 2017 (Unaudited) – Exhibit A | 363,000,000 | 31,502,072 | 64,575,930 | 126,092,756 | 15,535,014 | 600,705,772 |
| Balance at December 31, 2017 (Audited) | 363,000,000 | 33,223,018 | 36,342,998 | 297,085,855 | 33,788,091 | 763,439,962 |
| Profit for the period – Exhibit B – 1 | -- | -- | -- | -- | 13,653,650 | 13,653,650 |
| Other comprehensive loss | -- | -- | (9,345,210) | -- | 511,063 | (8,834,147) |
| Total comprehensive income for the period – Exhibit B – 2 | -- | -- | (9,345,210) | -- | 14,164,713 | 4,819,503 |
| Dividends distribution | -- | -- | -- | -- | (25,410,000) | (25,410,000) |
| Board of directors' remuneration | -- | -- | -- | -- | (1,400,000) | (1,400,000) |
| Transfer to retained earnings on sale of investment at FVTOCI | -- | -- | (439,982) | -- | 439,982 | -- |
| Balance at March 31, 2018 (Unaudited) – Exhibit A | 363,000,000 | 33,223,018 | 26,557,806 | 297,085,855 | 21,582,786 | 741,449,465 |

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF
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UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.
A PUBLIC SHAREHOLDING COMPANY
UMM AL QAIWAIN
UNITED ARAB EMIRATES

CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2018

EXHIBIT D

| | <u>March 31,</u> <u>2018</u> <u>(Unaudited)</u> <u>AED</u> | <u>March 31,</u> <u>2017</u> <u>(Unaudited)</u> <u>AED</u> |
|--|---|---|
| Cash Flows from Operating Activities | | |
| Profit for the period – Exhibit B-1 | 13,653,650 | 14,245,375 |
| Adjustments for | | |
| End of service benefit | (88,306) | 15,716 |
| Profit from investment in shares | (15,967,387) | (14,440,019) |
| Changes in fair value of investments at FVTPL | 1,505,590 | (693,794) |
| Loss on foreign exchange | -- | 12,540 |
| Finance costs | <u>950</u> | <u>2,950</u> |
| Operating (loss) before working capital changes | (895,503) | (857,232) |
| Decrease in trade accounts receivable and other receivables | (11,501,450) | (12,355,134) |
| (Decrease) in trade accounts payable and other payables | <u>(62,160)</u> | <u>(106,653)</u> |
| Net cash (used in) operations | (12,459,113) | (13,319,019) |
| Finance costs paid | (950) | (2,950) |
| Advance payment received from sale of assets held-for-sale (discontinued operation) | <u>--</u> | <u>2,000,000</u> |
| Net cash (used in) / provided by operating activities | <u>(12,460,063)</u> | <u>(11,321,969)</u> |
| Cash Flows from Investing Activities | | |
| Net movement in investment in shares | 8,971,436 | 2,909,187 |
| Proceed from investments sale and dividends received | <u>13,998,828</u> | <u>16,882,414</u> |
| Net cash provided by investing activities | <u>22,970,264</u> | <u>19,791,601</u> |
| Cash Flows from Financing Activities | | |
| Paid to shareholders | (16,620,597) | (16,271,198) |
| Board of Directors' remuneration paid | (1,400,000) | (1,000,000) |
| Bank overdraft | <u>(2,140)</u> | <u>7,581,584</u> |
| Net cash (used in) financing activities | <u>(18,022,737)</u> | <u>(9,689,614)</u> |
| Net (decrease) cash and cash equivalents | (7,512,536) | (1,219,982) |
| Cash and cash equivalents at the beginning of the period | <u>20,997,149</u> | <u>3,517,824</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD – Note 6 & Exhibit A | <u>13,484,613</u> ===== | <u>2,297,842</u> ===== |

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THIS CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**

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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2018 (UNAUDITED)

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 has registered with the competent governmental authorities in accordance with the law in the United Arab Emirates for the production and trade of cement and import of raw materials. During the year 2015, the Company had discontinued its operations for production and sale of cement as decided in Ordinary General Assembly Meeting on April 18, 2015. The Company has changed its name and commercial activities by making amendments in memorandum and articles of association and other legal formalities. The commercial activity includes investment in lands, buildings, education, health sector, general investments, etc.

The Company had obtained approval from the Securities and Commodities Authority to change the commercial activities and trade name to become Umm Al Qaiwain General Investments Company P.S.C. and obtained a commercial license from the Department of Economic Development – Umm Al Qaiwain.

The Company is domiciled at Umm Al Qaiwain, United Arab Emirates.

The Company’s lifetime period is one hundred years, and commenced from the registration date with concerned authorities.

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.

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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2018 (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 three months period ended March 31, 2018 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2018.

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, 2017.

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, 2017.

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, 2017.

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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2018 (UNAUDITED)

Continued...

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

The transactions over these investments were as follows:

| | <u>March 31,</u> <u>2018</u> <u>(Unaudited)</u> <u>AED</u> | <u>December 31,</u> <u>2017</u> <u>(Audited)</u> <u>AED</u> | <u>March 31,</u> <u>2017</u> <u>(Unaudited)</u> <u>AED</u> |
|--|---|--|---|
| Fair value at January 1 | 374,436,666 | 391,322,031 | 391,322,031 |
| Net movement during the period | 6,230,564 | (6,777,642) | (1,023,626) |
| Changes in fair value – Exhibit B-2 | (9,345,210) | (10,107,723) | 3,316,920 |
| Fair value at end of the period – Exhibit A | 371,322,020 ===== | 374,436,666 ===== | 393,615,325 ===== |

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

The transactions over these investments were as follows:

| | <u>March 31,</u> <u>2018</u> <u>(Unaudited)</u> <u>AED</u> | <u>December 31,</u> <u>2017</u> <u>(Audited)</u> <u>AED</u> | <u>March 31,</u> <u>2017</u> <u>(Unaudited)</u> <u>AED</u> |
|--|---|--|---|
| Fair value at January 1 | 76,858,287 | 88,062,514 | 88,062,514 |
| Net movement during the period | (15,202,000) | (9,664,387) | (1,898,101) |
| Changes in fair value – Exhibit B-1 | (1,505,590) | (1,539,840) | 693,794 |
| Fair value at end of the period – Exhibit A | 60,150,697 ===== | 76,858,287 ===== | 86,858,207 ===== |

6. CASH AND CASH EQUIVALENTS:

This item consists of the following:

| | <u>March 31,</u> <u>2018</u> <u>(Unaudited)</u> <u>AED</u> | <u>December 31,</u> <u>2017</u> <u>(Audited)</u> <u>AED</u> | <u>March 31,</u> <u>2017</u> <u>(Unaudited)</u> <u>AED</u> |
|---|---|--|---|
| Petty cash | 19,957 | 25,339 | 30,532 |
| Cash at banks – UAE | 11,445,375 | 19,323,091 | 1,714,903 |
| Cash at banks – Kuwait | 1,904,618 | 1,534,056 | 485,150 |
| Cash at bank – Oman | 114,663 | 114,663 | 67,257 |
| Cash and cash equivalents – Exhibits A & D | 13,484,613 ===== | 20,997,149 ===== | 2,297,842 ===== |

7. CAPITAL:

The Company's capital consists of fully paid-up 363,000,000 shares of one Dirham par value for each share.

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

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2018 (UNAUDITED)

Continued...

8. ACCOUNTS PAYABLE AND OTHER PAYABLES:

This item consists of the following:

| | <u>March 31,</u> | <u>December 31,</u> | <u>March 31,</u> |
|---|---------------------------|----------------------------|---------------------------|
| | <u>2018</u> | <u>2017</u> | <u>2017</u> |
| | <u>(Unaudited)</u> | <u>(Audited)</u> | <u>(Unaudited)</u> |
| | <u>AED</u> | <u>AED</u> | <u>AED</u> |
| Account payables | 390,683 | 452,843 | 411,636 |
| Advance payments received from sale of assets held for sale | -- | -- | 5,000,000 |
| Provision for disposal assets held for sale | 510,000 | 510,000 | -- |
| Unclaimed dividends | <u>45,820,511</u> | <u>37,031,108</u> | <u>42,074,136</u> |
| Accounts payable and other payables – Exhibit A | <u>46,721,194</u> | <u>37,993,951</u> | <u>47,455,772</u> |
| | ===== | ===== | ===== |

9. PROFIT FROM INVESTMENT IN SHARES:

This item consists of the following:

| | <u>March 31,</u> | <u>March 31,</u> |
|--|---------------------------|---------------------------|
| | <u>2018</u> | <u>2017</u> |
| | <u>(Unaudited)</u> | <u>(Unaudited)</u> |
| | <u>AED</u> | <u>AED</u> |
| Dividends received | 15,967,085 | 14,033,110 |
| Profit from sale of investment in shares | <u>302</u> | <u>406,909</u> |
| Total – Exhibits B-1 | <u>15,967,387</u> | <u>14,440,019</u> |
| | ===== | ===== |

10. LOSS FROM DISCONTINUED OPERATIONS:

This item consists of the following:

| | <u>March 31,</u> | <u>March 31,</u> |
|--|---------------------------|---------------------------|
| | <u>2018</u> | <u>2017</u> |
| | <u>(Unaudited)</u> | <u>(Unaudited)</u> |
| | <u>AED</u> | <u>AED</u> |
| Sales | -- | -- |
| Cost of sales | -- | -- |
| Gross loss | -- | -- |
| Depreciation | -- | -- |
| Provision for coarse cement | -- | -- |
| Salaries expense | -- | (94,132) |
| Electricity and water | -- | (11,193) |
| Miscellaneous expense | -- | (2,194) |
| Loss from discontinued operations – Exhibit B-1 | -- | <u>(107,519)</u> |
| | ===== | ===== |

11. 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 March 31, 2018, the profit is AED 13,653,650 (profit for the period ended March 31, 2017 amounts to AED 14,245,375) and the average number of the ordinary shares is 363,000,000 shares (same number of shares for the previous period).

UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.

A PUBLIC SHAREHOLDING COMPANY

UMM AL QAIWAIN

UNITED ARAB EMIRATES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED MARCH 31, 2018 (UNAUDITED)

Continued...

12. 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, 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.

Business segments

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

| Description | TOTAL | | March 31, 2018 (Unaudited) | | December 31, 2017 (Audited) | | March 31, 2017 (Unaudited) | | |
|--|-----------------------|--------------------------|-----------------------------------|----------------------------------|------------------------------------|----------------------------------|-----------------------------------|----------------------------------|--------------------|
| | March 31, 2018 | December 31, 2017 | March 31, 2017 | Manufacturing | Investments | Manufacturing | Investments | Manufacturing | Investments |
| | (Unaudited) | (Audited) | (Unaudited) | (Discontinued Operations) | | (Discontinued Operations) | | (Discontinued Operations) | |
| | AED | AED | AED | AED | AED | AED | AED | AED | AED |
| Profit from investments | 14,461,797 | 19,019,929 | 15,121,273 | -- | 14,461,797 | -- | 19,019,929 | -- | 15,121,273 |
| Allocated expenses (Net) | -- | (190,764) | (107,519) | -- | -- | (190,764) | -- | (107,519) | -- |
| Net segment results | 14,461,797 | 18,829,165 | 15,013,754 | -- | 14,461,797 | (190,764) | 19,019,929 | (107,519) | 15,121,273 |
| Profit from assets held for sale (discontinued operations) | -- | 2,125,141 | -- | | | | | | |
| Unallocated expenses | (808,147) | (3,744,844) | (768,379) | | | | | | |
| Profit for the period/year | 13,653,650 | 17,209,462 | 14,245,375 | | | | | | |
| Segment assets | 790,015,914 | 803,369,614 | 657,951,981 | -- | 790,015,914 | -- | 803,369,614 | 2,531,286 | 655,420,695 |
| Segment liabilities | 48,566,449 | 39,929,652 | 57,246,209 | -- | 48,566,449 | -- | 39,929,652 | -- | 57,246,209 |
| Other segment information | | | | | | | | | |
| Land revaluation surplus | 297,085,855 | 297,085,855 | 126,092,756 | -- | 297,085,855 | -- | 297,085,855 | -- | 126,092,756 |
| (loss) / Profit on investments at FVTOCI | (9,345,210) | (10,107,723) | 3,316,920 | -- | (9,345,210) | | (10,107,723) | -- | 3,316,920 |

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:

| | TOTAL | | | GCC | | UAE | | | |
|---|-----------------------|--------------------------|-----------------------|-----------------------|--------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| | March 31, 2018 | December 31, 2017 | March 31, 2017 | March 31, 2018 | December 31, 2017 | March 31, 2017 | March 31, 2018 | December 31, 2017 | March 31, 2017 |
| | (Unaudited) | (Audited) | (Unaudited) | (Unaudited) | (Audited) | (Unaudited) | (Unaudited) | (Audited) | (Unaudited) |
| | AED | AED | AED | AED | AED | AED | AED | AED | AED |
| Assets | 790,015,914 | 803,369,614 | 655,420,695 | 33,823,114 | 31,631,487 | 33,335,213 | 756,192,800 | 771,738,127 | 622,085,482 |
| Assets held for sale (discontinued operation) | -- | -- | 2,531,286 | -- | -- | -- | -- | -- | 2,531,286 |
| Total Assets | 790,015,914 | 803,369,614 | 657,951,981 | 33,823,114 | 31,631,487 | 33,335,213 | 756,192,800 | 771,738,127 | 624,616,768 |

UMM AL QAIWAIN GENERAL INVESTMENTS COMPANY P.S.C.

A PUBLIC SHAREHOLDING COMPANY

UMM AL QAIWAIN

UNITED ARAB EMIRATES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED MARCH 31, 2018 (UNAUDITED)

Continued...

12. 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:

| | TOTAL | | | March 31, 2018 (Unaudited) | | December 31, 2017 (Audited) | | March 31, 2017 (Unaudited) | | |
|--|--------------------|---------------------|--------------------|-----------------------------------|--------------------|------------------------------------|--------------------|-----------------------------------|--------------------|--|
| | March 31, | December 31, | March 31, | GCC | UAE | GCC | UAE | GCC | UAE | |
| | 2018 | 2017 | 2017 | | | | | | | |
| | (Unaudited) | (Audited) | (Unaudited) | AED | AED | AED | AED | AED | AED | |
| 1) <u>Investments at FVTOCI</u> | | | | | | | | | | |
| Banking sector | 294,252,230 | 297,389,405 | 332,473,350 | 777,182 | 293,475,048 | 672,784 | 296,716,621 | 707,583 | 331,765,767 | |
| Finance and investment sector | 11,999,565 | 12,717,727 | 11,730,231 | 7,612,365 | 4,387,200 | 7,690,727 | 5,027,000 | 8,569,331 | 3,160,900 | |
| Real estate sector | 29,851,189 | 29,951,746 | 15,454,493 | 6,069,609 | 23,781,580 | 6,367,905 | 23,583,841 | 6,349,735 | 9,104,758 | |
| Industrial sector | 9,003,606 | 9,239,242 | 8,753,347 | 5,445,252 | 3,558,354 | 5,684,337 | 3,554,905 | 5,820,634 | 2,932,713 | |
| Services sector | 25,906,844 | 24,829,960 | 24,673,942 | 8,023,964 | 17,882,880 | 7,953,110 | 16,876,850 | 9,528,685 | 15,145,257 | |
| Technology sector | 308,586 | 308,586 | 529,962 | 308,586 | -- | 308,586 | -- | 529,962 | -- | |
| Total | 371,322,020 | 374,436,666 | 393,615,325 | 28,236,958 | 343,085,062 | 28,677,449 | 345,759,217 | 31,505,930 | 362,109,395 | |
| 2) <u>Investments at FVTPL</u> | | | | | | | | | | |
| Banking sector | 27,440,263 | 40,068,307 | 41,598,680 | 995,517 | 26,444,746 | 1,213,582 | 38,854,725 | 1,185,139 | 40,413,541 | |
| Finance and investment sector | 2,194,500 | 2,530,500 | 2,440,000 | -- | 2,194,500 | -- | 2,530,500 | -- | 2,440,000 | |
| Real estate sector | 11,689,954 | 13,743,041 | 21,017,982 | -- | 11,689,954 | -- | 13,743,041 | -- | 21,017,982 | |
| Industrial sector | 13,325,980 | 15,536,439 | 16,861,545 | -- | 13,325,980 | -- | 15,536,439 | -- | 16,861,545 | |
| Services sector | 5,500,000 | 4,980,000 | 4,940,000 | -- | 5,500,000 | -- | 4,980,000 | -- | 4,940,000 | |
| Total | 60,150,697 | 76,858,287 | 86,858,207 | 995,517 | 59,155,180 | 1,213,582 | 75,644,705 | 1,185,139 | 85,673,068 | |
| Total financial assets | 431,472,717 | 451,294,953 | 480,473,532 | 29,232,475 | 402,240,242 | 29,891,031 | 421,403,922 | 32,691,069 | 447,782,463 | |

13. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION:

The condensed interim financial information (unaudited) has been approved by the Company's management for issue on April 24, 2018.

14. GENERAL:

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