

ABU DHABI NATIONAL COMPANY
FOR BUILDING MATERIALS
BILDCO (PJSC)
ABU DHABI
DECEMBER 31, 2015
CONSOLIDATED

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS

BILDCO (PJSC)

ABU DHABI

AUDITORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015

عمر حماده لمراجعة وتدقيق الحسابات
Omar Hamadeh Auditing & Accounting

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIALS

BILDCO (PJSC)

ABU DHABI

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B/A (1077)
Abu Dhabi:

INDEPENDENT AUDITOR'S REPORT

**Messrs. Abu Dhabi National Company
For Building Materials,
BILDCO (PJSC),
Abu Dhabi,
United Arab Emirates**

Report on the Financial Statements

We have audited the accompanying financial statements of **Messrs. Abu Dhabi National Company for Building Materials – BILDCO (PJSC)** and its subsidiaries, which comprise the statement of consolidated financial position as at December 31, 2015, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Messrs. Abu Dhabi National Company for Building Materials – BILDCO (PJSC) and its' subsidiaries, as at December 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other issues

We also confirm that, in our opinion, proper records of accounts have been kept by the Company, and has carried out physical verifications of inventories in accordance with properly established procedures. we have obtained all the information and explanations we required for the purpose of our audit and to the best of our knowledge and belief no violations of the Articles of Association of the Company or Federal Law No. (2) for the 2015 have occurred during the year which would have had a material effect on the business of the Company or on its financial position.

عمر حماده
لمراجعة وتدقيق الحسابات

/ Omar Hamadeh
Auditors' Registration – No.(3)

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

CONSOLIDATED FINANCIAL POSITION AS AT DECEMBER 31, 2015

ASSETS	Notes	31/12/2015 Dirhams	31/12/2014 Dirhams
Cash and bank balances	3	2,046,487	13,784,706
Postdated cheques (in hand)		1,405,343	4,097,804
Accounts receivable	4	41,481,378	42,852,214
Other debit balances		2,861,868	3,516,100
Inventories	5	28,819,424	65,095,074
Current assets		76,614,500	129,345,898
Investments in local securities carried at fair value through other comprehensive income	6	220,490,059	312,540,206
Other investments	7	8,033,325	14,033,325
Subsidiary Establishments (under construction)	8	176,249,099	366,048,181
Property, plant and equipment	9	204,560,948	20,449,505
Non-current assets		609,333,431	713,071,217
Total assets		685,947,931	842,417,115
LIABILITIES AND EQUITY			
LIABILITIES			
Banks overdraft	10	26,233,216	41,093,289
Bills payable and ijara	11/A	4,000,000	19,769,656
Short term loans installments	11/B	51,487,286	49,487,286
Accounts payable	12	27,170,195	5,996,958
Dividends payable		2,799,195	2,833,697
Advance payments and income		20,764,923	77,750,769
Accruals & other payables	13	3,480,312	6,830,707
Provision for securities impairment		-	17,500,000
Current liabilities		135,935,127	221,262,362
Long term loans installments	11/C	202,392,561	215,444,379
Provision for indemnity		2,542,606	3,108,637
Non-current liabilities		204,935,167	218,553,016
Total liabilities		340,870,294	439,815,378
SHAREHOLDERS' EQUITY			
Share capital	14	300,000,000	300,000,000
Reserves	15	239,183,922	239,183,922
Reserve of fair value	16	(148,907,660)	(111,445,675)
Retained (loss)		(50,514,407)	(30,403,795)
Total shareholders' equity		339,761,855	397,334,452
Minority interest		5,315,782	5,267,285
Total equity		345,077,637	402,601,737
Total liabilities and equity		685,947,931	842,417,115

The attached notes form an integral part of these statements

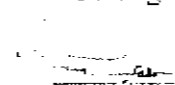
Chairman



General Manager



Managing Director



ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2015

	Notes	2015		2014
		Dirhams	Dirhams	Dirhams
Sales		95,094,334		25,276,980
Less : cost of sales		(91,427,430)		(28,791,250)
Gross income (loss)			3,666,904	(3,514,270)
(Loss) income from trade in securities			(16,132,085)	66,305,301
Income from rent			1,555,955	1,444,024
Other income			69,635	93,149
Total gross (loss) income & other income			(10,839,591)	64,328,204
Selling and distribution expenses			(3,333,935)	(2,815,999)
General and administrative expenses			(8,152,229)	(8,407,161)
Depreciation			(908,816)	(211,237)
Bad debts			(90,195)	(981,003)
Provision for doubtful debits			--	(24,000,000)
Provision for local securities investments Impairment			--	(17,500,000)
Pre-operating expenses amortization	17		(4,194,008)	--
Reversal of provision for local securities investments impairment			17,500,000	--
Net (loss) profit before bank interest			(10,018,774)	10,412,804
Bank interest			(10,043,341)	(6,034,899)
Net (loss) profit for the year			(20,062,115)	4,377,905
Minority share from (loss) profit	18		(48,497)	347,526
Net (loss) profit for the year transferred to statement of changes in equity			(20,110,612)	4,725,431
(Loss) profit per share	19		(0,067)	0,016

The attached notes form an integral part of these statements

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
DECEMBER 31, 2015

	2015	2014
	Dirhams	Dirhams
(Loss) profit for the year	(20,110,612)	4,725,431
Other comprehensive income items		
Net (loss) from investments in securities-available for sale	(37,461,985)	(34,039,096)
Comprehensive (loss) for the year	(57,572,597)	(29,313,665)

The attached notes form an integral part of these statements

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

CONSOLIDATED PROFIT APPROPRIATION STATEMENT FOR THE YEAR ENDED
DECEMBER 31, 2015

	2015	2014
	-----	-----
	Dirhams	Dirhams
	-----	-----
Retained (loss)	(30,403,795)	(34,184,140)
Net (loss) profit for the year	(20,110,612)	4,725,431
Less : 10 % legal reserve	--	(472,543)
Less : 10 % statutory reserve	--	(472,543)
	-----	-----
Net (loss) transferred to the financial Position	(50,514,407)	(30,403,795)
	=====	=====

The attached notes form an integral part of these statements

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
DECEMBER 31, 2015

	Capital	Reserves	Reserve of fair value	Accumulated (loss) earnings	Total
	Dirhams	Dirhams	Dirhams	Dirhams	Dirhams
Balance at January 1, 2014	300,000,000	238,238,836	(77,406,579)	(34,184,140)	426,648,117
Profit for the year 2014	--	--	--	4,725,431	4,725,431
Less : 10 % legal reserve	--	472,543	--	(472,543)	--
Less : 10 % statutory reserve	--	472,543	--	(472,543)	--
Comprehensive (loss)	--	--	(34,039,096)	--	(34,039,096)
Balance at December 31, 2014	300,000,000	239,183,922	(111,445,675)	(30,403,795)	397,334,452
(Loss) for the year 2015	--	--	--	(20,110,612)	(20,110,612)
Comprehensive (loss)	--	--	(37,461,985)	--	(37,461,985)
Balance at December 31, 2015	300,000,000	239,183,922	(148,907,660)	(50,514,407)	339,761,855

The attached notes form an integral part of these statements

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
DECEMBER 31, 2015

	2015	2014
	Dirhams	Dirhams
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) profit	(20,110,612)	4,725,431
Property, plant and equipment	9,720,499	6,144,319
Provisions	(18,066,031)	16,278,665
Pre-operating expenses amortization	4,194,008	--
Minority share of Bilco Cement Products loss (profit)	48,497	(347,526)
CHANGES IN WORKING CAPITAL		
Postdated cheques (in hand)	2,692,461	3,116,036
Accounts receivable	1,370,836	36,418,220
Other debit balances	654,232	298,235
Inventories	36,275,650	(547,841)
Accounts payable and dividends payable	21,138,735	(5,766,866)
Advance payments and income	(56,985,846)	235,404
Accruals and other payables	(3,350,395)	(7,382,719)
Net cash (used in) from operating activities	(22,417,966)	53,171,358
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(193,831,942)	(8,979)
Subsidiary Establishments (under construction)	189,799,082	(15,088,013)
Disposals of property, plant and equipment	--	20,837
Investment in securities	54,588,162	(14,047,785)
Other investment	6,000,000	--
Pre-operating expenses	(4,194,008)	--
Net cash from (used in) investing activities	52,361,294	(29,123,940)
CASH FLOWS FROM FINANCING ACTIVITIES		
Banks overdraft, bills payable, murabaha, ijara and loans	(41,681,547)	(15,615,868)
Net cash (used in) financing activities	(41,681,547)	(15,615,868)
Net (decrease) increase in cash	(11,738,219)	8,431,550
Cash at beginning of the year	13,784,706	5,353,156
Cash at end of the year	2,046,487	13,784,706

The attached notes form an integral part of these statements

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

1 LEGAL STATUS AND ACTIVITIES

Abu Dhabi National Company For Building Materials - BILDCO (PJSC) (the Company) is incorporated in Abu Dhabi by Amiri Decree No. 5 for the year 1974.

License issued from Department of Economic Development – Abu Dhabi No. (CN-1002141) and Branches in Al Ain License No. (1005372) and Dubai licenses issued from Department of Economic Development No. (546792).

The main activities of the Company are general trading, acting as agents, representatives of various trading agencies and companies and investing in the industrial enterprises .

These financial statements include the result of operations, assets and liabilities of the Company and its subsidiaries : -

- Bildeo Cement Products – LLC License No. (463) with a capital of Five Million Dirhams, the Company owns 80% of its capital and the Emirates Industrial Bank 20%. The main activities are to produce Kerb Stones Manufacturing, Concrete Blocks Manufacturing and Interlock Tiles Manufacturing.

- Reinforcing Steel Services fully owned by the Company License No. (606), its main activity is fabrication of reinforcing steel, with a capital of Five Million Dirhams.

- Bildeo Aerated Concrete Products (L.L.C.) – Dubai license No. (608886) fully owned by the Company the capital of Two Hundred Million Dirhams, the main activities are Bricks Manufacturing. The commercial operating activities started from March 1, 2015 with a capital of Two Hundred Million Dirhams.

2 SIGNIFICANT ACCOUNTING POLICIES

A ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention. Investment in securities, available for sale, are re-measured at fair value through other comprehensive income.

B BASIS OF CONSOLIDATION

Subsidiaries are investees controlled by the Group. The Group 'controls' an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

These financial statements consolidate the accounts of the Company and its subsidiaries as listed in note No. 1. Significant inter-transactions and account- balances with subsidiaries have been eliminated on consolidation.

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDICO (PJSC)
ABU DHABI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

C PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they incurred.

Depreciation is calculated so as to write off the cost of property, plant and equipment over their estimated useful lives, using the straight line method, as follows:

Machinery & equipment	10 %
Motor vehicles	33.3 %
Furniture & fixtures & decoration	25 % - 33.3 %
Caravans	25 %
Buildings	8.33 % - 10 %
Molds	AED 0.50 per machine cycle
Buildings & machinery-Bildco Aerated Concrete Products	2.22 %
Other fixed assets	25 %

D INVENTORIES

Inventories are valued at the lower of cost and net realizable value in accordance with "weighted average method". Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Costs incurred in bringing each product to its present location and condition are accounted for. And the management evaluates the inventories based on the cost and presented after deduction of the provisions of slow moving items (Note 5).

E LEAVE AND INDEMNITY

Leave and indemnity are computed according to Federal Law No. 8 year 1980, (as amended) which regulates labor relations in United Arab Emirates.

Monthly pension contributions are made in respect of UAE National employees, the pension fund is administered by the Government of Abu Dhabi, Finance Department, represented by the Abu Dhabi Retirement Pensions and Benefits Fund.

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
ABU DHABI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

F INVESTMENT IN SECURITIES

- AVAILABLE – FOR – SALE INVESTMENTS

Investments available - for - sale are initially recognized at cost, being the fair value of the consideration given including all acquisition costs associated with investments. After initial recognition available for sale investments are re-measured at fair value. Unrealized gains and losses are reported as a separate component of equity until the investment is de-recognized or the investment is determined to be impaired. On de-recognition or impairment, the cumulative gain or loss previously reported in equity, along with any transition adjustment to retained earnings arising from the adoption of IAS 39, is included in the consolidated statement of income for the year.

All investments in shares owned by the Company are in local Companies:

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Investment in local securities listed, in local markets	213,346,487	305,396,634
Investment in local securities – unlisted	7,143,572	7,143,572
Total	220,490,059	312,540,206

G REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable.

H SALE OF GOODS

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer on delivery of the goods. Revenue from the sale of goods is measured on normal course of business at the fair value of the consideration received or receivable; net of returns and allowances; trade discounts and volume rebates.

I RENTAL INCOME

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

J INVESTMENT INCOME

Dividends and other investment income are recognized when received.

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

K FOREIGN CURRENCIES

Foreign currencies transactions are converted into Dirhams at prevailing rate of exchange on the date of transaction. Monetary assets and liabilities stated in foreign currency as at the financial position date are converted into Dirhams at the rate of exchange prevailing at that time. Gains or losses on conversion are included in the comprehensive income.

L BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the year during which they are incurred.

M FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in United Arab Emirates Dirhams ("AED") which is Company's functional and reporting currency.

3 CASH AND BANK BALANCES

Balances at banks represent cash current accounts & margins in local banks.

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Cash	123,306	66,775
Bank balances	1,923,181	13,717,931
	<u>2,046,487</u>	<u>13,784,706</u>

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

4 ACCOUNTS RECEIVABLE

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Accounts receivable	8,223,181	9,868,334
Related Party (Note 21)	20,715	---
Accounts receivable – non moving	11,448,147	12,292,325
Accounts receivable customer – legal cases	78,225,392	76,832,522
Customer – against letter of credit	---	100,000
	<u>97,917,435</u>	<u>99,093,181</u>
Less : provision for doubtful debts	(56,436,057)	(56,240,967)
	<u>41,481,378</u>	<u>42,852,214</u>

*** RELATED PARTIES – DEBIT BALANCE**

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Saif Bin Darwish (Note 21)	20,715	--

5 INVENTORIES

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Inventories – non moving	2,929,949	2,932,169
Trading goods	7,789,017	15,210,981
Purchase orders spreads	8,000,000	37,951,636
Raw materials	1,808,828	2,332,206
Finished goods	3,472,620	1,859,280
Others	2,577,085	2,297,478
Wire Mesh Steel	3,564,410	4,016,225
Consumables	135,481	--
Packing materials	46,935	--
	<u>30,324,325</u>	<u>66,599,975</u>
Provision for slow moving items	(1,504,901)	(1,504,901)
	<u>28,819,424</u>	<u>65,095,074</u>

*This amount represents spreads in the goods' actual cost price and the customer's purchase order price. Bildeco has received a some of AED 18,898,139 for those purchase orders.

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
BILDCO (PJSC)
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

6 INVESTMENTS IN LOCAL SECURITIES CARRIED AT FAIR VALUE THROUGH

OTHER COMPREHENSIVE INCOME (FVTOCI): -

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Investment in securities listed in the local markets	213,346,487	305,396,634
Investments in local securities unlisted	7,143,572	7,143,572
Total	220,490,059	312,540,206

7 OTHER INVESTMENTS

	31/12/2015	31/12/2014
	Dirhams	Dirhams
* Vision Capital co. Abu Dhabi	--	6,000,000
** Tasweek Real Estate Development and Marketing PJSC. Abu Dhabi	7,950,000	7,950,000
*** Freeport Co.	83,325	83,325
	8,033,325	14,033,325

* Vision Capital was sold at cost value.

** Tasweek is stated at cost.

*** Freeport Co.

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Cost	1,476,000	1,476,000
Less : provision for impairment	(1,392,675)	(1,392,675)
	83,325	83,325

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

8 SUBSIDIARY ESTABLISHMENTS (UNDER CONSTRUCTION)

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Bilco Aerated Concrete Products (LLC) – Dubai	--	195,861,925 *
Bilco Steel Industries - Abu Dhabi	176,249,099	170,186,256
	<u>176,249,099</u>	<u>366,048,181</u>
	Bilco Steel Industries	Bilco Aerated Concrete
	Dirhams	Dirhams
Opening balance	170,186,256	195,861,925
Cost incurred during the year	6,062,843	4,313,676
Finance costs capitalized	--	1,483,730
Advances from customers	--	(1,874,420)
Transfer to Bilco	--	215,089
Capital Bilco Aerated Concrete Products(L.L.C.)- Dubai	--	(200,000,000)
Total 31/12/2015	<u>176,249,099</u>	<u>--</u>

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets "which necessarily take a substantial year of time to get ready for their intended use or sale" are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or (loss) in the year during which they are incurred.

* Hypothecation of machinery worth AED 33 Million in favour of Ajman Bank.

* Bilco Steel Industries construction started in 2007.

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL.
BILDICO (PJSC)
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - DECEMBER 31, 2015

9 PROPERTY, PLANT AND EQUIPMENT

COST	Machinery And Equipment	Buildings And Caravans	Motor Vehicles	Furniture And Decoration	Company building	Plant and equipment	Moulds	Total
	Dirhams	Dirhams	Dirhams	Dirhams	Dirhams	Dirhams	Dirhams	Dirhams
Balance 1/1/2015	78,649,636	25,304,059	1,864,800	4,306,476	7,057,594	1,720,104	6,762,979	125,665,648
Additions	65,227,535	68,930,004	308,000	1,084,636	--	890,000	222,997	136,663,172
Capitalized expenses	27,194,138	29,024,958	150,006	444,003	--	375,665	--	57,168,770
	171,071,309	123,259,021	2,302,806	5,835,115	7,057,594	2,985,769	6,985,976	319,497,590
DEPRECIATION								
Balance 1/1/2015	63,481,494	21,757,649	1,864,639	4,290,712	7,056,846	1,720,098	5,044,705	105,216,143
Charge for the year	5,969,113	2,767,949	92,261	343,383	748	106,455	440,590	9,720,499
	69,450,607	24,525,598	1,956,900	4,634,095	7,057,594	1,826,553	5,485,295	114,936,642
N.B.V. 31/12/2015	101,620,702	98,733,423	345,906	1,201,020	--	1,159,216	1,500,681	204,560,948
N.B.V. 31/12/2014	15,168,142	3,546,410	161	15,764	748	6	1,718,274	20,449,505

- Buildings & caravans represent: stores, labor camp, factory buildings at Abu Dhabi and Dubai.

- Company building represents a building owned by the company in Abu Dhabi city.

- All buildings are recorded at cost and depreciated on a straight line method.

- No valuation has been made for buildings to adjust the book value to fair value.

ABU DHABI NATIONAL COMPANY FOR BUILDING MATERIAL
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10 BANKS OVERDRAFT

	31/12/2015	31/12/2014
	Dirhams	Dirhams
First Gulf Bank	16,814,381	-
National Bank of Fujairah	4,995,758	4,972,668
National Bank of Abu Dhabi	1,740	36,120,621
Abu Dhabi Commercial Bank	4,421,337	-
	<u>26,233,216</u>	<u>41,093,289</u>

11 BILLS PAYABLE, IJARA AND LONS

11/A BILLS PAYABLE, IJARA

	31/12/2015	31/12/2014
	Dirhams	Dirhams
First Gulf Bank	-	7,553,554
Ajman Bank – Ijara – short loan	4,000,000	12,216,102
	<u>4,000,000</u>	<u>19,769,656</u>

11/B INSTALLMENTS OF SHORT-TERM LOANS

	31/12/2015	31/12/2014
	Dirhams	Dirhams
National Bank Of Fujairah	5,237,286	5,237,286
First Gulf Bank	28,250,000	28,250,000
Emirates NBD Bank	10,000,000	10,000,000
National Bank Of Abu Dhabi	8,000,000	6,000,000
	<u>51,487,286</u>	<u>49,487,286</u>

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11 BILLS PAYABLE, IJARA AND LOANS (CONTINUE)

11/C INSTALLMENTS OF LONG-TERM LOANS

	31/12/2015	31/12/2014
	Dirhams	Dirhams
National Bank Of Fujairah	20,949,143	26,186,428
First Gulf Bank	102,962,007	131,212,007
Ajman Bank	11,489,779	12,216,102
Emirates NBD Bank	36,121,725	45,829,842
National Bank Of Abu Dhabi	30,869,907	--
	<u>202,392,561</u>	<u>215,444,379</u>

12 ACCOUNTS PAYABLE

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Accounts payable	24,642,453	3,573,449
Related Party – (Note 21)*	378,191	3,180
Accounts payable – non moving	1,913,899	2,149,930
Accounts payable – accrual for purchases	235,652	270,399
	<u>27,170,195</u>	<u>5,996,958</u>

*** RELATED PARTIES – CREDIT BALANCE (NOTE 21)**

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Al Omeria Printing & Publishing	20,036	3,180
Ask General Maintenance & Decoration	358,155	--
	<u>378,191</u>	<u>3,180</u>

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13 ACCRUALS & OTHER PAYABLES

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Accrued expenses	82,841	35,539
Deposit payable	33,720	23,720
Sales commission	—	36,197
Overtime	25,712	32,033
Provision for leave	320,337	423,527
Provision for air tickets	295,500	213,562
Accrued expenses – transport	—	61,152
Provision for different in transport prices	932,095	932,095
Accrued interest	476,538	3,422,435
Miscellaneous	194,340	952,698
Customers credit balances	540,709	125,024
Customers credit balances – not move	578,520	572,725
	<u>3,480,312</u>	<u>6,830,707</u>

14 SHARE CAPITAL

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Authorized capital – 300,000,000 shares of AED 1 each	300,000,000	300,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
Issued and fully paid up – 300,000,000 shares of AED 1 each	300,000,000	300,000,000
	<u>300,000,000</u>	<u>300,000,000</u>

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15 RESERVES

	Legal Reserve	Share premium	Statutory reserve	Total
	Dirhams	Dirhams	Dirhams	Dirhams
Balance 1/1/2015	54,220,607	141,399,991	43,563,324	239,183,922
Balance 31/12/2015	54,220,607	141,399,991	43,563,324	239,183,922

- Legal reserve

According to the federal law No. 2 for the year 2015, ten percent of the Company net profit should be deducted annually to create a legal reserve. The general assembly may stop deduction if the legal reserve reaches one half of the Company paid up capital. This reserve may not be distributed to the shareholders.

- Statutory reserve

The Company articles provide for setting aside ten percent of the Company net profit to create a statutory reserve. The general assembly may stop deduction or the statutory reserve reaches twice of the Company paid up capital. This reserve may be used to the purposes decided by the ordinary general assembly.

16 RESERVE OF FAIR VALUE

Available for sale investments are re-measured at the financial position date, unrealized gains and loss are shown as a separate component of equity as a reserve.

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17 PRE-OPERATING EXPENSES AMORTIZATIONS (BILDCO AERATED
CONCRETE PRODUCTS)

	31/12/2015
	Dirhams
Legal related expenses	6,000
Land rent	220,812
Utility expenses	73,646
Vehicle & equipment expenses	22,295
Miscellaneous	171,379
Repair and maintenance expenses	1,875
Communication expenses	1,492
General expenses	12,372
Salary	238,790
Overtime and incentives	330,284
Food expenses	315,920
Accommodation	1,239,571
Ticket expenses	100,684
End of service	261,968
Visa expenses	237,852
Employee insurance	476,866
Leave salary	426,089
Transportation	56,113
Total	<u><u>4,194,008</u></u>

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18 MINORITY INTEREST

Minority interest represents the share of Emirates Industrial Bank which is 20 % of equity of Bildeco Cement Products, subsidiary Company.

19 (LOSS) PROFIT PER SHARE

The information necessary to calculate basic per (loss) share based on weighted average number of shares outstanding during the year is as follows:

	31/12/ 2015	31/12/2014
	Dirhams	Dirhams
Profit (Loss)		
Net (loss) for the year	(20,110,612)	4,725,431

SHARES

Number of shares outstanding during the year	300,000,000	300,000,000
(Loss) profit per share at par value AED 1 per share	(0,067)	0,016

20 FINANCIAL INSTRUMENTS

Financial instruments of the Company include cash and banks, postdated cheques (in hand), accounts receivable, other receivables, investment in securities, banks overdraft, bills payable, Murabaha and loans, accounts payable and accruals & other payables.

FINANCIAL RISK

CREDIT RISK

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk from its operating activities -primarily trade receivables which is shown as net of provision for doubtful debts- which is almost 62.9% from the sum of nonmoving and legal trade receivable (Note 4) and from its financing activities -which is deposits with local banks which operate in the United Arab Emirates and is highly regulated by the central bank. (Note 3)

FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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LIQUIDITY RISK

Liquidity risk is the risk that an entity will have difficulties in paying its financial liabilities .The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and sales of investment .

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans obligations with fixed and floating interest rates, which consists of loans from all banks except fixed ratio loan, where the interest rate fixed percentage (Note 10,11)

21 RELATED PARTIES TRANSACTION

A SALES TO RELATED PARTIES

	31/12/2015	31/12/2014
	-----	-----
	Dirhams	Dirhams
	-----	-----
Saif Bin Darwish	90,715	--
	-----	-----
	<u>90,715</u>	<u>--</u>

B PURCHASES FROM RELATED PARTIES

	31/12/2015	31/12/2014
	-----	-----
	Dirhams	Dirhams
	-----	-----
Al Omeria Printing & Publishing	64,424	18,735
Ask General Maintenance & Decoration	433,555	--
	-----	-----
	<u>497,979</u>	<u>18,735</u>

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21 RELATED PARTIES TRANSACTION (continue)

TERMS AND CONDITIONS OF TRANSACTIONS WITH RELATED PARTIES

Sales to and purchases from related parties are more similar to those made in other transactions. Outstanding balances at the yearend are unsecured and interest free and settlement occurs in cash. There have been no guarantees received from or give to any party with a creditor or a debtor relationship.

And the following table includes the benefits which were paid to senior executives in the company

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Total Salary	2,733,240	2,241,240
Indemnity	105,271	60,793
	<u>2,838,511</u>	<u>2,302,033</u>

22 EMPLOYEES

The Company has (169) employees as at December 31, 2015. (205 employees at December 31, 2014).

23 SECURITY TYPE

1. Assignment of benefit of agreement favoring Ajman Bank (Leased land on plot # 41003, Dubai International City, Dubai).
2. Hypothecation over machineries worth AED 33 M in favor of Ajman Bank.
3. Assignment of insurance policy over factory located on plot # 41003, Dubai Industrial City Dubai amounting AED 40,000,000/- assigned to Ajman Bank.

24 CONTINGENT LIABILITIES

	31/12/2015	31/12/2014
	Dirhams	Dirhams
Letters of credit	35,045,000	42,443,000
Letters of guarantee	3,650,000	3,670,000
Discounted cheques	2,250,000	--
	<u>40,945,000</u>	<u>46,113,000</u>