

**UNITED FOODS COMPANY (PSC)  
AND ITS SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS**

**31 MARCH 2025**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF UNITED FOODS COMPANY (PSC)**

### **Introduction**

We have reviewed the accompanying interim condensed consolidated financial statements of United Foods Company (PSC) (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the interim condensed consolidated statement of financial position as at 31 March 2025, and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows and interim condensed consolidated statement of changes in equity for the three-month period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated 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 consolidated 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 consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

For Ernst & Young



Sanjay Khiara  
Registration No. 5513



12 May 2025

Dubai, United Arab Emirates

United Foods Company (PSC) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the period ended 31 March 2025 (Unaudited)

		<i>Three months ended</i>	
		<i>31 March 2025 AED</i>	<i>31 March 2024 AED</i>
	<i>Notes</i>		
Revenue from contracts with customers, gross		<b>184,837,117</b>	164,960,528
Less: Discounts and rebates		<b>(8,073,339)</b>	(7,980,607)
<b>Revenue from contracts with customers, net</b>	3	<b>176,763,778</b>	156,979,921
Cost of sales		<b>(151,565,624)</b>	(125,156,056)
<b>GROSS PROFIT</b>		<b>25,198,154</b>	31,823,865
Selling and distribution expenses		<b>(12,343,239)</b>	(12,438,625)
General and administrative expenses		<b>(5,819,782)</b>	(5,223,113)
Finance costs		<b>(218,665)</b>	(231,780)
Other income, net		<b>1,725,476</b>	1,809,164
<b>PROFIT BEFORE TAX FOR THE PERIOD</b>		<b>8,541,944</b>	15,739,511
Income tax expense	4	<b>(762,274)</b>	(1,416,556)
<b>PROFIT FOR THE PERIOD</b>	5	<b>7,779,670</b>	14,322,955
<b>Profit attributable to:</b>			
Owners of the Group		<b>7,779,670</b>	14,322,955
<b>Earnings per share:</b>			
Basic and diluted in AED	12	<b>0.26</b>	0.47

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

United Foods Company (PSC) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 March 2025 (Unaudited)

		<i>Three months ended</i>	
		<i>31 March 2025 AED</i>	<i>31 March 2024 AED</i>
<b>Profit for the period</b>		<b>7,779,670</b>	14,322,955
<b>Other comprehensive income / (loss)</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Change in fair value of equity securities measured at FVOCI	18	(367,455)	152,436
Deferred tax on net loss on equity securities measured at FVOCI	4	33,071	-
		<b>(334,384)</b>	152,436
<i>Items that may be reclassified subsequently to profit or loss</i>			
Change in fair value of debt securities measured at FVOCI – Sukuk instruments	18	21,833	20,590
Deferred tax on net gain on debt securities measured at FVOCI	4	(5,142)	-
		<b>16,691</b>	20,590
<b>Other comprehensive (loss) / income</b>		<b>(317,693)</b>	173,026
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>7,461,977</b>	14,495,981
<b>Total comprehensive income attributable to:</b>			
Owners of the Group		<b>7,461,977</b>	14,495,981

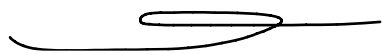
The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

# United Foods Company (PSC) and its Subsidiaries

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	73,978,124	76,446,435
Right-of-use assets	7	17,595,571	18,030,417
Intangible assets		1,002,527	1,143,284
Deferred tax asset	4	27,929	-
Financial assets at fair value through other comprehensive income (FVOCI)	18	28,517,349	31,907,010
		<b>121,121,500</b>	<b>127,527,146</b>
<b>Current assets</b>			
Inventories	8	104,407,689	114,719,966
Trade and other receivables	9	129,814,400	111,186,811
Amounts due from related parties	15	1,307,234	1,082,729
Bank balances and cash	10	98,955,127	84,878,126
		<b>334,484,450</b>	<b>311,867,632</b>
<b>TOTAL ASSETS</b>		<b>455,605,950</b>	<b>439,394,778</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	30,250,000	30,250,000
Statutory reserve		15,125,000	15,125,000
Regular reserve		15,125,000	15,125,000
General reserve		65,314,980	65,314,980
Fair value reserve		(201,073)	116,620
Retained earnings		226,309,513	218,529,843
<b>Total equity</b>		<b>351,923,420</b>	<b>344,461,443</b>
<b>Non-current liabilities</b>			
Employees' end of service benefits		11,375,969	10,975,919
Lease liabilities	13	13,199,639	13,470,067
Deferred tax liability		-	4,317
		<b>24,575,608</b>	<b>24,450,303</b>
<b>Current liabilities</b>			
Trade and other payables	14	73,729,208	65,852,273
Income tax payable	4	3,805,546	3,043,272
Lease liabilities	13	1,572,168	1,587,487
		<b>79,106,922</b>	<b>70,483,032</b>
<b>Total liabilities</b>		<b>103,682,530</b>	<b>94,933,335</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>455,605,950</b>	<b>439,394,778</b>

  
 Ali Bin Humaid Al Owais  
 Chairman  
 12 May 2025

  
 Fethi Mohamed Khiari  
 Chief Executive Officer  
 12 May 2025

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

United Foods Company (PSC) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2025 (unaudited)

<b>2025:</b>	<i>Share capital AED</i>	<i>Statutory reserve AED</i>	<i>Regular reserve AED</i>	<i>General reserve AED</i>	<i>Fair value reserve AED</i>	<i>Retained earnings AED</i>	<i>Total AED</i>
Balance as at 1 January 2025	30,250,000	15,125,000	15,125,000	65,314,980	116,620	218,529,843	344,461,443
Profit for the period	-	-	-	-	-	7,779,670	7,779,670
Other comprehensive loss	-	-	-	-	(317,693)	-	(317,693)
Total comprehensive income for the period	-	-	-	-	(317,693)	7,779,670	7,461,977
<b>Balance as at 31 March 2025</b>	<b>30,250,000</b>	<b>15,125,000</b>	<b>15,125,000</b>	<b>65,314,980</b>	<b>(201,073)</b>	<b>226,309,513</b>	<b>351,923,420</b>
<b>2024:</b>	<i>Share capital AED</i>	<i>Statutory reserve AED</i>	<i>Regular reserve AED</i>	<i>General reserve AED</i>	<i>Fair value reserve AED</i>	<i>Retained earnings AED</i>	<i>Total AED</i>
Balance as at 1 January 2024	30,250,000	15,125,000	15,125,000	65,314,980	31,910	205,836,383	331,683,273
Profit for the period	-	-	-	-	-	14,322,955	14,322,955
Other comprehensive income	-	-	-	-	173,026	-	173,026
Total comprehensive income for the period	-	-	-	-	173,026	14,322,955	14,495,981
Balance as at 31 March 2024	30,250,000	15,125,000	15,125,000	65,314,980	204,936	220,159,338	346,179,254

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

United Foods Company (PSC) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2025 (Unaudited)

		<i>Three months ended</i>	
		<i>31 March</i>	<i>31 March</i>
		<i>2025</i>	<i>2024</i>
	<i>Notes</i>	<i>AED</i>	<i>AED</i>
<b>OPERATING ACTIVITIES</b>			
Profit before tax for the period		<b>8,541,944</b>	15,739,511
Adjustments for:			
Depreciation on property, plant and equipment		<b>2,799,714</b>	2,687,852
Depreciation on right-of-use assets	7	<b>479,239</b>	496,465
Amortisation of intangible assets		<b>140,756</b>	148,135
Finance costs		<b>218,665</b>	231,780
Provision for employees' end of service benefits		<b>578,026</b>	589,580
Provision for expected credit losses	9	<b>-</b>	72,131
Provision/ (reversal) for slow moving inventories	8	<b>120,786</b>	(389,522)
Gain on redemption of financial assets at FVOCI		<b>(82,753)</b>	-
Gain on disposal of property, plant and equipment		<b>-</b>	(1,524)
		<b>12,796,377</b>	19,574,408
Working capital changes:			
Inventories		<b>10,191,491</b>	(4,258,146)
Trade and other receivables		<b>(18,627,589)</b>	(25,407,251)
Trade and other payables		<b>7,876,936</b>	8,286,110
Amounts due from related parties		<b>(224,505)</b>	(191,949)
<b>Cash generated from/ (used in) operations</b>		<b>12,012,710</b>	(1,996,828)
Employees' end of service benefits paid		<b>(177,976)</b>	(190,718)
<b>Net cash generated from/ (used in) operating activities</b>		<b>11,834,734</b>	(2,187,546)
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	6	<b>(331,403)</b>	(3,594,082)
Purchase of financial assets at FVOCI		<b>-</b>	(2,984,461)
Redemption of financial assets at FVOCI		<b>3,122,475</b>	-
Proceeds from disposal of property, plant and equipment		<b>-</b>	3,280
Net change in bank deposits		<b>20,000,000</b>	(20,000,000)
<b>Net cash generated / (used in) investing activities</b>		<b>22,791,072</b>	(26,575,263)
<b>FINANCING ACTIVITIES</b>			
Payment of lease liabilities	13	<b>(518,957)</b>	(634,817)
Finance costs paid		<b>(29,848)</b>	(26,444)
<b>Net cash used in financing activities</b>		<b>(548,805)</b>	(661,261)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>34,077,001</b>	(29,424,070)
Cash and cash equivalents at 1 January		<b>34,878,126</b>	114,406,966
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	10	<b>68,955,127</b>	84,982,896

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 1 ACTIVITIES

United Foods Company (PSC) (the “Company”) is a Public Shareholding Company, incorporated on 1 November 1976 by a Decree issued by His Highness, The Ruler of Dubai. On 27 June 1994, the Company amended its status to a public shareholding company to comply with the provisions of the applicable UAE Federal Law at the time.

The Company’s shares are listed on the Dubai Financial Market (DFM) since July 2006.

The Company is primarily engaged in the manufacturing, processing and marketing of vegetable ghee, cooking oil, margarine, butter products and fat including trading of other food products. The registered address of the Company is P.O. Box 5836, Dubai, UAE.

The Company and its following subsidiaries form the “Group” and are together referred to as the “Group” in these interim condensed consolidated financial statements. The subsidiaries included in these interim condensed consolidated financial statements, their principal activities and legal and beneficial ownership are set out below:

<i>Name of the subsidiary</i>	<i>Principal activity</i>	<i>Country of incorporation</i>	<i>Ownership% 31 March 2025</i>	<i>Ownership% 31 December 2024</i>
Stratus General Trading LLC	General Trading -Wholesalers	U.A. E	<b>100%</b>	100%
PAL Foodstuff & Beverages Trading LLC	Food and Beverages Trading	U.A. E	<b>100%</b>	100%

### 2 BASIS OF PREPARATION, MATERIAL ACCOUNTING POLICY INFORMATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

#### **Basis of preparation**

The interim condensed consolidated financial statements for the three-month period ended 31 March 2025 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024. In addition, results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

When preparing the interim condensed consolidated financial statements, management undertakes number of judgements, estimates, and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management.

#### **New standards, interpretations and amendments adopted by the Group**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards, amendments and interpretations effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several standards, amendments and interpretations apply for the first time in 2025, but do not have an impact on the interim condensed consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.



# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 3 REVENUE FROM CONTRACTS WITH CUSTOMERS, NET

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	<i>Three months ended</i>	
	<i>31 March 2025 AED (Unaudited)</i>	<i>31 March 2024 AED (Unaudited)</i>
Revenue from contracts with customer, gross	184,837,117	164,960,528
Less: Discounts and rebates	(8,073,339)	(7,980,607)
<b>Revenue from contracts with customers, net</b>	<b>176,763,778</b>	<b>156,979,921</b>
 <i>Timing of revenue recognition</i>		
At a point in time	176,763,778	156,979,921
 <i>Geographical market</i>		
United Arab Emirates	132,715,803	113,696,055
GCC other than UAE	25,487,737	23,715,743
Rest of the world	18,560,238	19,568,123
	176,763,778	156,979,921

### 4 INCOME TAX

#### *Amount recognised in the interim condensed consolidated statement of profit or loss*

The Group calculates income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	<i>Three months ended</i>	
	<i>31 March 2025 AED (Unaudited)</i>	<i>31 March 2024 AED (Unaudited)</i>
Current income tax	762,274	1,416,556

#### *Amount recognised in the interim condensed consolidated statement of comprehensive income*

	<i>Three months ended</i>	
	<i>31 March 2025 AED (Unaudited)</i>	<i>31 March 2024 AED (Unaudited)</i>
Deferred tax asset	27,929	-

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 5 PROFIT FOR THE PERIOD

Profit for the period is stated after charging:

	<i>Three months ended</i>	
	<i>31 March 2025 AED (Unaudited)</i>	<i>31 March 2024 AED (Unaudited)</i>
Inventories charged to cost of sales	<b>143,528,179</b>	117,411,770
Employee expenses	<b>12,094,060</b>	11,807,679
Rental – operating lease*	<b>129,805</b>	77,314

\*Rental – operating leases expense relates to the lease contracts that have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

### 6 PROPERTY, PLANT AND EQUIPMENT

#### *Additions and disposals*

During the period ended 31 March 2025, the Group incurred costs in respect of additions amounting to AED 331,403 (for the year ended 31 December 2024: AED 12,805,213).

As at 31 March 2025, capital work-in-progress of AED 417,194 (31 December 2024: AED 11,453,429) includes the expenditure incurred on the expansion of factory and warehouse facility in Jebel Ali Industrial Area and plant and machinery.

During the period ended 31 March 2025, the Group capitalized CWIP amounting to AED 11,367,637, from which major amount pertain to Pet Bottle and Fractionation plant.

### 7 RIGHT-OF-USE ASSETS

	<i>31 March 2025 AED (Unaudited)</i>	<i>31 December 2024 AED (Audited)</i>
As at 1 January	<b>18,030,417</b>	19,324,146
Additions during the period/ year	<b>44,393</b>	901,559
Modifications during the period/ year	-	-
Less: retirements during the period/ year	-	(214,629)
Less: depreciation for the period/ year	<b>(479,239)</b>	(1,980,659)
	<b>17,595,571</b>	18,030,417

The Group has lease contracts for various items of land, building and motor vehicles.

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 8 INVENTORIES

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
Raw materials	<b>20,300,280</b>	33,194,052
Finished goods	<b>22,829,996</b>	14,928,922
Packing materials	<b>3,271,083</b>	2,648,005
Work-in-progress	<b>6,195,750</b>	4,125,787
Spares and consumables	<b>2,410,842</b>	2,335,252
	<b>55,007,951</b>	57,232,018
Less: provision for slow moving inventories	<b>(826,948)</b>	(706,162)
	<b>54,181,003</b>	56,525,856
Goods-in-transit	<b>50,226,686</b>	58,194,110
	<b>104,407,689</b>	114,719,966

Movement of the provision for slow moving inventories is as follows:

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
At 1 January	<b>706,162</b>	1,203,467
Charge/ (Reversal) for the period/ year, net	<b>120,786</b>	(497,305)
	<b>826,948</b>	706,162

### 9 TRADE AND OTHER RECEIVABLES

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
Trade receivables	<b>122,893,122</b>	104,391,607
Less: provision for expected credit losses	<b>(1,482,687)</b>	(1,482,687)
	<b>121,410,435</b>	102,908,920
Prepaid expenses	<b>3,836,643</b>	3,382,643
Advances to suppliers	<b>1,759,764</b>	1,156,102
Accrued interest receivable	<b>1,883,236</b>	2,849,404
Staff receivables	<b>274,432</b>	227,952
Other receivables	<b>649,890</b>	661,790
	<b>129,814,400</b>	111,186,811

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 9 TRADE AND OTHER RECEIVABLES (continued)

Movement of the provision for expected credit losses is as follows:

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
At 1 January	<b>1,482,687</b>	6,028,483
Charge for the period/ year	-	(287,868)
Write-offs during the period/ year	-	(4,257,928)
	<b><u>1,482,687</u></b>	<b><u>1,482,687</u></b>

### 10 CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise the following:

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>	<b>31 March 2024 AED (Unaudited)</b>
Cash in hand	<b>140,866</b>	58,788	65,063
Bank balances	<b>18,714,261</b>	4,719,338	20,317,833
Deposits*	<b>80,100,000</b>	80,100,000	84,600,000
Bank balances and cash	<b>98,955,127</b>	84,878,126	104,982,896
Less: Deposits with an original maturity of more than 3 months	<b>(30,000,000)</b>	(50,000,000)	(20,000,000)
<b>Cash and cash equivalents</b>	<b><u>68,955,127</u></b>	<b><u>34,878,126</u></b>	<b><u>84,982,896</u></b>

\*Deposits are placed with local banks and accrue interest at prevailing market rates. During the period ended 31 March 2025, the Group earned interest income on these deposits of AED 1,022,048 (during the three-month period ended 31 March 2024: AED 1,168,303).

### 11 SHARE CAPITAL

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
Authorised, issued and fully paid up:		
30,250,000 ordinary shares of 1 AED each		
(31 December 2024: 30,250,000 ordinary shares of 1 AED each)	<b><u>30,250,000</u></b>	<b><u>30,250,000</u></b>

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 12 EARNINGS PER SHARE

Basic and diluted earnings per share of AED 0.26 per share (for the three month period ended 31 March 2024: AED 0.47 per share) are calculated by dividing the profit for the period amounting to AED 7,779,670 (for the three month period ended 31 March 2024: AED 14,322,955) by the weighted average number of ordinary shares outstanding during the period ended 31 March 2025 of 30,250,000 shares (during the three month period ended 31 March 2024: 30,250,000 shares).

The Group has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

### 13 LEASE LIABILITIES

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
At 1 January	<b>15,057,554</b>	15,297,620
Add: Additions during the period/ year	<b>44,393</b>	668,226
Add: finance costs	<b>188,817</b>	796,389
Modifications during the period/ year	-	-
Retirements during the period/ year	-	(214,629)
Less: payments during the period / year, net of prepayments and accruals adjustment	<b>(518,957)</b>	(2,347,552)
Other adjustments	-	857,500
	<b>14,771,807</b>	15,057,554

Presented in the interim condensed consolidated statement of financial position as follows:

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
Current	<b>1,572,168</b>	1,587,487
Non-current	<b>13,199,639</b>	13,470,067
	<b>14,771,807</b>	15,057,554

### 14 TRADE AND OTHER PAYABLES

	<b>31 March 2025 AED (Unaudited)</b>	<b>31 December 2024 AED (Audited)</b>
Trade payables	<b>22,561,047</b>	17,711,810
Accrued expenses and other payables	<b>13,145,205</b>	11,418,588
Accrual for goods in transit	<b>31,155,474</b>	30,328,982
Advances from customers	<b>2,453,448</b>	1,469,114
Directors' remuneration payable (Note 15)	<b>3,097,350</b>	3,596,400
VAT payable	<b>1,316,684</b>	1,327,379
	<b>73,729,208</b>	65,852,273

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 15 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management in line with the Group's board of directors.

#### a) Significant transactions with related parties:

Significant transactions with related parties are as follows:

	<i>Three months ended</i>	
	<i>31 March 2025 AED (Unaudited)</i>	<i>31 March 2024 AED (Unaudited)</i>
<i>Entities under common control:</i>		
Sales to related parties	<b>1,967,860</b>	1,420,315

#### Compensation of key management personnel

The remuneration of directors and other key members of management during the period were as follows:

	<i>Three months ended</i>	
	<i>31 March 2025 AED (Unaudited)</i>	<i>31 March 2024 AED (Unaudited)</i>
Short-term benefits	<b>865,838</b>	847,376
Employees' end of service benefits	<b>38,977</b>	39,141
Bonus	<b>170,044</b>	214,025
Directors' sitting fees	<b>60,000</b>	40,000
	<b>1,134,859</b>	1,140,542

#### b) Amounts due from related parties:

	<i>31 March 2025 AED (Unaudited)</i>	<i>31 December 2024 AED (Audited)</i>
<i>Entities under common control:</i>		
Trade receivables	<b>1,307,234</b>	1,082,729

#### c) Amounts due to related parties:

	<i>31 March 2025 AED (Unaudited)</i>	<i>31 December 2024 AED (Audited)</i>
Directors' remuneration payable (Note 14)*	<b>3,097,350</b>	3,596,400

United Foods Company (PSC) and its Subsidiaries

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

**15 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

**c) Amounts due to related parties: (continued)**

\*On 28 April 2025, Directors' remuneration amounting to AED 3,097,350 was approved in the Annual General Meeting (AGM), a decrease from the accrual amount of AED 3,596,400. Hence, a reversal of AED 499,050 has been recorded in the Directors' remuneration payable in this reporting period.

**16 CONTINGENCIES AND COMMITMENTS**

**Contingent liabilities**

At 31 March 2025, the Group had contingent liabilities in respect of banks amounting to AED 242,000 (31 December 2024: AED 242,000) from which it is anticipated that no material liabilities will arise.

*Legal claim contingency*

The group has litigations that occur in the ordinary course of business. Group's legal advisor and the management believe that the Group has a firm legal position and there will be no significant impact on the consolidated financial statements of the Group. Accordingly, no impact in the consolidated financial statements is recognized.

**Capital commitments**

At 31 March 2025, the Group had capital commitments in respect of purchase of property, plant and equipment amounting to AED 2,356,000 (31 December 2024: AED 1,110,338).

**17 SEGMENTAL REPORTING**

The Group operates in a single reporting segment primarily engaged in manufacturing, processing and marketing of hydrogenated vegetable ghee, cooking oil, margarine, butter products and fat including trading of food products and other products. All the relevant information relating to this reporting/operating segment is disclosed in the interim condensed consolidated statement of financial position, interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income and notes to the interim condensed consolidated financial statements. IFRS also requires an entity to report its segment assets and revenues along geographical regions. All significant activities of the Group are performed on an integrated basis in the Middle East and the Directors do not consider an analysis by individual country would be meaningful.

*Major customer*

During the period ended 31 March 2025, revenue from no customer accounts for 10% or more of the Group's total revenue (31 March 2024: Revenue from no customer accounts for 10% or more of the Group's total revenue).

**18 FAIR VALUES OF FINANCIAL INSTRUMENTS**

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash on hand and bank balances, trade and other receivables, amounts due from related parties and investment securities at fair value through other comprehensive income. Financial liabilities consist of trade and other payables and lease liabilities.

The fair values of financial instruments are not materially different from their carrying values.

**Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

# United Foods Company (PSC) and its Subsidiaries

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

### 18 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

As at 31 March 2025, the Group held the following financial instruments measured at fair value:

#### Assets measured at fair value

	<i>31 March 2025 AED</i>	<i>Level 1 AED</i>	<i>Level 2 AED</i>	<i>Level 3 AED</i>
<b>Quoted equity securities</b>				
Consumer Staples Sector	<b>640,121</b>	<b>640,121</b>	-	-
Investments and Financial Services Sector	<b>332,500</b>	<b>332,500</b>	-	-
<b>Total</b>	<b>972,621</b>	<b>972,621</b>	-	-
<b>Quoted debt securities</b>				
Sukuk instruments	<b>27,544,728</b>	<b>27,544,728</b>	-	-
<b>Total</b>	<b>28,517,349</b>	<b>28,517,349</b>	-	-

As at 31 December 2024, the Group held the following financial instruments measured at fair value:

#### Assets measured at fair value

	<i>31 December 2024 AED</i>	<i>Level 1 AED</i>	<i>Level 2 AED</i>	<i>Level 3 AED</i>
<b>Quoted equity securities</b>				
Consumer Staples Sector	709,749	709,749	-	-
Investments and Financial Services Sector	375,000	375,000	-	-
	<b>1,084,749</b>	<b>1,084,749</b>	-	-
<b>Quoted debt securities</b>				
Sukuk instruments	30,822,261	30,822,261	-	-
<b>Total</b>	<b>31,907,010</b>	<b>31,907,010</b>	-	-

During the period ended 31 March 2025 and year ended 31 December 2024, there were no transfers between the various levels of fair value measurements.

At 31 March 2025, the fair values of equity securities and debt securities were assessed which resulted in the fair value loss of AED 367,455 (31 March 2024: fair value gain of AED 152,436) and the fair value gain of AED 21,833 (31 March 2024: AED 20,590), respectively.

### 19 EVENT AFTER REPORTING DATE

The Annual General Meeting held on 28 April 2025 approved a dividend of AED 1 per share totaling to AED 30,250,000 for the year ended 31 December 2024.



## United Foods Company (PSC) and its Subsidiaries

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2025 (Unaudited)

#### 20 COMPARATIVE INFORMATION

Certain amounts in the consolidated statement of financial position as at 31 December 2024 have been reclassified in order to conform to the presentation for the current period. These changes have been made to improve the quality of information presented. Such reclassification does not affect previously reported consolidated profit or total comprehensive income or equity.

The table below summarises the reclassification for the line items affected.

<b>Consolidated statement of financial position</b>	<i>As previously reported AED</i>	<i>Reclassifications AED</i>	<i>As reported now AED</i>
Trade and other receivables	111,779,815	(593,004)	111,186,811
Amounts due from related parties	489,725	593,004	1,082,729