

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

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

30 JUNE 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 30 June 2025, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-months and six-months period then ended, and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-months 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.

Ernst & Young Middle East (Dubai Branch)



Sanjay Khiara
Registration No: 5513



13 August 2025

Dubai, United Arab Emirates

United Foods Company (PSC) and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the period ended 30 June 2025 (Unaudited)

		<i>Six months ended</i>		<i>Three months ended</i>	
		<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>
<i>Notes</i>					
Revenue from contracts with customers, gross	3	337,933,058	305,882,674	153,095,941	140,922,146
Less: Discounts and rebates		(15,288,188)	(13,675,615)	(7,214,849)	(5,695,008)
Revenue from contracts with customers, net		322,644,870	292,207,059	145,881,092	135,227,138
Cost of sales		(277,058,044)	(236,419,428)	(125,492,421)	(111,263,372)
GROSS PROFIT		45,586,826	55,787,631	20,388,671	23,963,766
Selling and distribution expenses		(23,313,865)	(23,566,247)	(10,970,625)	(11,127,622)
General and administrative expenses		(11,608,153)	(10,746,187)	(5,788,371)	(5,523,074)
Finance costs		(410,571)	(493,537)	(191,905)	(261,757)
Other income, net		3,289,536	3,494,172	1,564,060	1,685,008
PROFIT BEFORE TAX FOR THE PERIOD		13,543,773	24,475,832	5,001,830	8,736,321
Income tax expense	4	(1,204,630)	(2,189,807)	(442,356)	(773,251)
PROFIT FOR THE PERIOD	5	12,339,143	22,286,025	4,559,474	7,963,070
Profit attributable to:					
Owners of the Group		12,339,143	22,286,025	4,559,474	7,963,070
Earnings per share:					
Basic and diluted in AED	12	0.41	0.74	0.15	0.26

The accompanying notes from 1 to 19 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 30 June 2025 (Unaudited)

	Notes	Six months ended		Three months ended	
		30 June 2025 AED (Unaudited)	30 June 2024 AED (Unaudited)	30 June 2025 AED (Unaudited)	30 June 2024 AED (Unaudited)
Profit for the period		12,339,143	22,286,025	4,559,474	7,963,070
Other comprehensive income/ (loss)					
<u>Items that will not be reclassified subsequently to profit or loss</u>					
Change in fair value of equity securities measured at FVOCI	18	(280,534)	(166,582)	86,921	(319,018)
Deferred tax on net (gain)/ loss on equity securities measured at FVOCI	4	25,248	-	(7,823)	-
		(255,286)	(166,582)	79,098	(319,018)
<u>Items that may be reclassified subsequently to profit or loss</u>					
Change in fair value of debt securities measured at FVOCI – Sukuk instruments	18	10,464	70,205	(11,369)	49,615
Deferred tax on net (gain)/ loss on debt securities measured at FVOCI	4	(4,119)	-	1,023	-
		6,345	70,205	(10,346)	49,615
Other comprehensive income/ (loss)		(248,941)	(96,377)	68,752	(269,403)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		12,090,202	22,189,648	4,628,226	7,693,667
Total comprehensive income attributable to:					
Owners of the Group		12,090,202	22,189,648	4,628,226	7,693,667

The accompanying notes from 1 to 19 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 30 June 2025

		30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property, plant and equipment	6	71,656,522	76,446,435
Right-of-use assets	7	17,125,349	18,030,417
Intangible assets		879,581	1,143,284
Deferred tax asset		21,129	-
Financial assets at fair value through other comprehensive income	18	28,592,900	31,907,010
		118,275,481	127,527,146
Current assets			
Inventories	8	92,473,112	114,719,966
Trade and other receivables	9	114,666,348	111,186,811
Amounts due from related parties	15	1,105,568	1,082,729
Bank balances and cash	10	67,024,165	84,878,126
		275,269,193	311,867,632
TOTAL ASSETS		393,544,674	439,394,778
EQUITY AND LIABILITIES			
Equity			
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		(132,321)	116,620
Retained earnings		200,618,986	218,529,843
Total equity		326,301,645	344,461,443
Liabilities			
Non-current liabilities			
Employees' end of service benefits		11,422,308	10,975,919
Lease liabilities	13	12,907,347	13,470,067
Deferred tax liability		-	4,317
		24,329,655	24,450,303
Current liabilities			
Trade and other payables	14	37,125,266	65,852,273
Income tax payable		4,247,902	3,043,272
Lease liabilities	13	1,540,206	1,587,487
		42,913,374	70,483,032
Total liabilities		67,243,029	94,933,335
TOTAL EQUITY AND LIABILITIES		393,544,674	439,394,778

Ali Bin Humaid Al Owais
Chairman
12 August 2025

Fethi Mohamed Khiari
Chief Executive Officer
12 August 2025

The accompanying notes from 1 to 19 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 30 June 2025 (Unaudited)

2025:	<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	-	-	-	-	-	12,339,143	12,339,143
Other comprehensive loss	-	-	-	-	(248,941)	-	(248,941)
Total comprehensive (loss) income for the period	-	-	-	-	(248,941)	12,339,143	12,090,202
Dividends paid	-	-	-	-	-	(30,250,000)	(30,250,000)
Balance as at 30 June 2025	30,250,000	15,125,000	15,125,000	65,314,980	(132,321)	200,618,986	326,301,645

The Annual General Meeting held on 28 April 2025 approved a dividend of AED 1 per share totalling to AED 30,250,000, which was paid during the period ended 30 June 2025, and approved the remuneration of the Board of Directors of AED 3,097,350 accounted for as at 31 December 2024.

The accompanying notes from 1 to 19 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 (continued)

For the period ended 30 June 2025 (Unaudited)

2024:	<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	-	-	-	-	-	22,286,025	22,286,025
Other comprehensive loss	-	-	-	-	(96,377)	-	(96,377)
Total comprehensive (loss) income for the period	-	-	-	-	(96,377)	22,286,025	22,189,648
Dividends paid	-	-	-	-	-	(18,150,000)	(18,150,000)
Balance as at 30 June 2024	<u>30,250,000</u>	<u>15,125,000</u>	<u>15,125,000</u>	<u>65,314,980</u>	<u>(64,467)</u>	<u>209,972,408</u>	<u>335,722,921</u>

The Annual General Meeting held on 17 April 2024 approved a dividend of AED 0.60 per share totalling to AED 18,150,000, which was paid during the period ended 30 June 2024, and approved the remuneration of the Board of Directors of AED 2,914,110 accounted for as at 31 December 2023.

The accompanying notes from 1 to 19 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 30 June 2025 (Unaudited)

		Six months ended	
		30 June 2025 AED (Unaudited)	30 June 2024 AED (Unaudited)
	Notes		
OPERATING ACTIVITIES			
Profit before tax for the period		13,543,773	24,475,832
Adjustments for:			
Depreciation of property, plant and equipment		5,730,515	5,355,227
Depreciation of right-of-use assets		949,461	1,006,385
Amortisation of intangible assets		263,703	296,273
Finance costs		410,571	493,537
Provision for employees' end of service benefits		917,536	909,454
(Reversal of)/ provision for expected credit losses of trade receivables		(35,000)	72,131
Provision for/ (reversal of) slow moving inventories, net		41,683	(260,280)
Gain on redemption of financial assets at FVOCI		(82,753)	-
Gain on disposal of property, plant and equipment		(109,399)	(115,600)
		21,630,090	32,232,959
Working capital changes:			
Inventories		22,205,171	6,263,121
Trade and other receivables		(3,444,537)	(13,884,829)
Trade and other payables		(28,727,006)	(19,333,732)
Amounts due from related parties		(22,839)	(340,381)
		11,640,879	4,937,138
Cash generated from operations		(471,147)	(395,592)
Employees' end of service benefits paid			
		11,169,732	4,541,546
Net cash flows generated from operating activities			
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6	(941,326)	(4,882,406)
Proceeds from disposal of property, plant and equipment		110,123	175,519
Redemption of financial assets at FVOCI		3,122,475	-
Purchase of financial assets at FVOCI		-	(2,984,460)
Net change in bank deposits		50,000,000	(50,000,000)
		52,291,272	(57,691,347)
Net cash flows generated from/ (used in) investing activities			
FINANCING ACTIVITIES			
Payment of lease liabilities		(1,027,975)	(1,316,662)
Finance costs paid		(36,990)	(84,572)
Dividends paid		(30,250,000)	(18,150,000)
		(31,314,965)	(19,551,234)
Net cash flows used in financing activities			
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		32,146,039	(72,701,035)
Cash and cash equivalents at 1 January		34,878,126	114,406,966
CASH AND CASH EQUIVALENTS AT 30 JUNE	10	67,024,165	41,705,931

The accompanying notes from 1 to 19 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 30 June 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 food and non-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 subsidiaries</i>	<i>Principal activities</i>	<i>Country of incorporation</i>	<i>Ownership% 30 June 2025</i>	<i>Ownership% 31 December 2024</i>
Stratus General Trading LLC	General Trading -Wholesalers	UAE	100%	100%
PAL Foodstuff & Beverages Trading LLC	Food and Beverages Trading	UAE	100%	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 six-month period ended 30 June 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 six-month period ended 30 June 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 30 June 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>Six months ended</i>		<i>Three months ended</i>	
	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>
Revenue from contracts with customer, gross	337,933,058	305,882,674	153,095,941	140,922,146
Less: Discounts and rebates	(15,288,188)	(13,675,615)	(7,214,849)	(5,695,008)
Revenue from contracts with customers, net	322,644,870	292,207,059	145,881,092	135,227,138
<i>Timing of revenue recognition</i>				
At a point in time	322,644,870	292,207,059	145,881,092	135,227,138
<i>Geographical market</i>				
United Arab Emirates	242,080,555	220,259,301	109,377,791	106,643,246
GCC other than UAE	44,914,392	40,268,432	19,413,616	16,472,689
Rest of the world	35,649,923	31,679,326	17,089,685	12,111,203
	322,644,870	292,207,059	145,881,092	135,227,138

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>Six months ended</i>		<i>Three months ended</i>	
	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>
Current income tax	1,204,630	2,189,807	442,356	773,251

Amount recognised in the interim condensed consolidated statement of comprehensive income

	<i>Six months ended</i>		<i>Three months ended</i>	
	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>
Deferred tax on net (gain)/loss on equity securities measured at FVOCI	25,248	-	(7,823)	-
Deferred tax on net (gain)/loss on debt securities measured at FVOCI	(4,119)	-	1,023	-
	21,129	-	(6,800)	-

United Foods Company (PSC) and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2025 (Unaudited)

5 PROFIT FOR THE PERIOD

Profit for the period is stated after charging:

	<i>Six months ended</i>		<i>Three months ended</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Inventories charged to cost of sales	261,132,094	221,966,178	117,603,915	104,554,408
Employee expenses	23,764,082	23,156,225	11,670,022	11,348,546
Rental - short term leases*	295,677	145,855	165,872	68,541

*Rental – short term 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 30 June 2025, the Group incurred costs in respect of additions amounting to AED 941,326 (30 June 2024: AED 4,882,406).

As at 30 June 2025, capital work-in-progress of AED 577,415 (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.

7 RIGHT-OF-USE ASSETS

	<i>30 June</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
As at 1 January	18,030,417	19,324,146
Additions during the period/ year	44,393	901,559
Retirements during the period/ year	-	(214,629)
Depreciation for the period/ year	(949,461)	(1,980,659)
	17,125,349	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 30 June 2025 (Unaudited)

8 INVENTORIES

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Raw materials	52,617,027	33,194,052
Finished goods	16,814,390	14,928,922
Packing materials	2,628,672	2,648,005
Work-in-progress	9,633,021	4,125,787
Spares and consumables	2,407,606	2,335,252
	84,100,716	57,232,018
Less: provision for slow moving inventories	(747,845)	(706,162)
	83,352,871	56,525,856
Goods-in-transit	9,120,241	58,194,110
	92,473,112	114,719,966

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

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	706,162	1,203,467
Charge for the period/ year	41,683	-
Reversal for the period/ year	-	(497,305)
	747,845	706,162

9 TRADE AND OTHER RECEIVABLES

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Trade receivables	107,837,218	104,391,607
Less: provision for expected credit losses	(1,447,687)	(1,482,687)
	106,389,531	102,908,920
Prepaid expenses	4,748,052	3,382,643
Advances to suppliers	1,832,270	1,156,102
Accrued interest receivable	803,062	2,849,404
Staff receivables	315,593	227,952
Other receivables	577,840	661,790
	114,666,348	111,186,811

United Foods Company (PSC) and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2025 (Unaudited)

9 TRADE AND OTHER RECEIVABLES (continued)

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

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	1,482,687	6,028,483
Reversal during the period/ year	(35,000)	(287,868)
Write-offs during the period/ year	-	(4,257,928)
	<u>1,447,687</u>	<u>1,482,687</u>

10 BANK BALANCES AND CASH

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

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)	30 June 2024 AED (Unaudited)
Cash in hand	148,601	58,788	154,857
Bank balances	16,775,564	4,719,338	11,451,074
Deposits *	50,100,000	80,100,000	80,100,000
Bank balances and cash	67,024,165	84,878,126	91,705,931
Less: Deposits with original maturities of more than 3 months	-	(50,000,000)	(50,000,000)
Cash and cash equivalents	<u>67,024,165</u>	<u>34,878,126</u>	<u>41,705,931</u>

*Deposits are placed with local banks and accrue interest at prevailing market rates. During the six-month period ended 30 June 2025, the Group earned interest income on these deposits of AED 1,767,361 (during the six-month period ended 30 June 2024: AED 2,168,783).

11 SHARE CAPITAL

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Authorised, issued and fully paid up:		
30,250,000 ordinary shares of 1 AED each	30,250,000	30,250,000
(31 December 2024: 30,250,000 ordinary shares of 1 AED each)		

United Foods Company (PSC) and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2025 (Unaudited)

12 EARNINGS PER SHARE

Basic and diluted earnings per share for the six-month period ended 30 June 2025 of AED 0.41 per share (for the six-month period ended 30 June 2024: AED 0.74 per share) are calculated by dividing the profit after tax for the six-month period ended 30 June 2025 amounting to AED 12,339,143 (for the six-month period ended 30 June 2024: AED 22,286,025) by the weighted average number of ordinary shares outstanding during the six-month period ended 30 June 2025 of 30,250,000 shares (during the six-month period ended 30 June 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

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	15,057,554	15,297,620
Additions during the period/ year	44,393	668,226
Interest expense on lease liabilities	373,581	796,389
Other adjustments	-	857,500
Retirements during the period/ year	-	(214,629)
Payments made during the period/ year	(1,027,975)	(2,347,552)
	14,447,553	15,057,554

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

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Current	1,540,206	1,587,487
Non-current	12,907,347	13,470,067
	14,447,553	15,057,554

14 TRADE AND OTHER PAYABLES

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Trade payables	15,050,900	15,575,634
Accrued expenses and other payables	11,039,396	32,465,158
Accruals for goods in transit	5,697,307	11,418,588
Advances from customers	3,882,170	1,469,114
Directors' remuneration payable (Note 15)	-	3,596,400
VAT payable	1,455,493	1,327,379
	37,125,266	65,852,273

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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>Six months ended</i>		<i>Three months ended</i>	
	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>
<i>Entities under common control:</i>				
Sales to related parties	3,430,420	2,791,290	1,462,560	1,370,975

Compensation of key management personnel

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

	<i>Six months ended</i>		<i>Three months ended</i>	
	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>	<i>30 June 2025 AED (Unaudited)</i>	<i>30 June 2024 AED (Unaudited)</i>
Short-term benefits	1,749,022	1,694,752	883,184	847,376
Employees' end of service benefits	78,172	78,281	39,195	39,140
Bonuses	248,056	426,877	78,012	212,852
Directors' sitting fee	90,000	70,000	30,000	30,000
	2,165,250	2,269,910	1,030,391	1,129,368

b) Amounts due from related parties:

	<i>30 June 2025 AED (Unaudited)</i>	<i>31 December 2024 AED (Audited)</i>
<i>Entities under common control</i>		
Trade receivables	1,105,568	1,082,729

c) Amounts due to related parties:

	<i>30 June 2025 AED (Unaudited)</i>	<i>31 December 2024 AED (Audited)</i>
Directors' remuneration payable (Note 14)	-	3,596,400

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16 CONTINGENCIES AND COMMITMENTS

Contingent liabilities

At 30 June 2025, the Group had contingent liabilities in respect of banks amounting to AED 317,000 (31 December 2024: AED 242,000 from which it is anticipated that no material liabilities will arise).

Legal claim contingencies

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 30 June 2025, the Group had capital commitments in respect of purchase of property, plant and equipment amounting to AED 2,441,718 (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 vegetable ghee, cooking oil, margarine, butter products and fat including trading of food 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.

Additional information required by IFRS 8 *Segment Reporting*, is disclosed below:

Major customer

During the period ended 30 June 2025, revenue from no customer accounts for 10% or more of the Group's total revenue (30 June 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.

As at 30 June 2025, the Group held the following financial instruments measured at fair value:

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18 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Assets measured at fair value

	<i>30 June 2025 AED (Unaudited)</i>	<i>Level 1 AED (Unaudited)</i>	<i>Level 2 AED (Unaudited)</i>	<i>Level 3 AED (Unaudited)</i>
Quoted equity securities				
Consumer Staples Sector	637,042	637,042	-	-
Investments and Financial Services Sector	422,500	422,500	-	-
Total	1,059,542	1,059,542	-	-
Quoted debt securities				
Sukuk instruments	27,533,358	27,533,358	-	-
Total	28,592,900	28,592,900	-	-

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

During the period ended 30 June 2025 and year ended 31 December 2024, there were no transfers between the various levels of fair value measurements.

As at 30 June 2025, the fair values of equity securities and debt securities were assessed which resulted in a fair value loss of AED 255,286 (30 June 2024: fair value loss of AED 166,582) and a fair value gain of AED 6,345 (30 June 2024: AED 70,205) on these instruments, respectively.

19 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.

Consolidated statement of financial position	<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