

**Unikai Foods (P.J.S.C.)
and its subsidiary**

Interim Condensed Consolidated
Financial Statements

For the period ended June 30, 2025

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements
For the period ended June 30, 2025

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Report on Review of the Interim Condensed Consolidated Financial Statements

To the Shareholders of Unikai Foods (P.J.S.C.)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Unikai Foods (P.J.S.C.) (the "Company") and its subsidiary (collectively referred to as "the Group"), comprising the interim consolidated statement of financial position as at June 30, 2025, and the related interim consolidated statements of profit or loss, comprehensive income for the three-month and six-month periods then ended, and related interim consolidated statement of changes in equity and cash flows for the six-month then ended, and explanatory notes.

Management is responsible for the preparation and 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.

GRANT THORNTON UAE

Dr. Osama El Bakry
Registration No. 935
Dubai, United Arab Emirates

August 11, 2025





Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Interim consolidated statement of financial position
As at June 30, 2025

	Notes	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	4	39,385	41,909
Investment properties	5	44,100	44,100
Right-of-use assets	6	48,446	52,068
Deferred tax asset		1,064	1,114
		<u>132,995</u>	<u>139,191</u>
Current assets			
Inventories	7	50,963	49,008
Trade and other receivables	8	86,425	64,691
Financial assets at fair value through profit or loss	9	13,991	13,991
Bank balances and cash	10	37,541	14,367
		<u>188,920</u>	<u>142,057</u>
Asset held for sale	11	5,906	-
		<u>194,826</u>	<u>142,057</u>
TOTAL ASSETS		<u>327,821</u>	<u>281,248</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	17	38,841	38,841
Statutory reserve		7,325	7,325
Revaluation surplus		6,646	6,646
Retained earnings		37,224	31,386
Total equity		<u>90,036</u>	<u>84,198</u>
Non-current liabilities			
Employees' end of service benefits		9,647	9,079
Lease liabilities	15	31,585	32,568
		<u>41,232</u>	<u>41,647</u>
Current liabilities			
Interest-bearing borrowings	12	108,933	57,033
Lease liabilities	15	20,136	22,967
Trade and other payables	13	64,145	71,584
Provision for income tax		3,339	3,819
		<u>196,553</u>	<u>155,403</u>
Total liabilities		<u>237,785</u>	<u>197,050</u>
TOTAL EQUITY AND LIABILITIES		<u>327,821</u>	<u>281,248</u>

These interim condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on August 11, 2025 and signed on its behalf by:


Director


Director

The accompanying notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Interim consolidated statement of profit or loss
For the period ended June 30, 2025

	Notes	Three-month period ended June 30,		Six-month period ended June 30,	
		2025 (Unaudited) AED'000	2024 (Unaudited) AED'000	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000
Revenue	18	110,558	109,436	219,607	205,942
Cost of sales		(72,572)	(65,936)	(146,555)	(129,479)
GROSS PROFIT		37,986	43,500	73,052	76,463
Administrative, selling and distribution expenses	19	(29,226)	(29,837)	(56,945)	(54,340)
Reversal/(allowance) for expected credit losses of trade and other receivables		-	(47)	238	(1,095)
OPERATING PROFIT		8,760	13,616	16,345	21,028
Finance costs, net	20	(2,764)	(3,185)	(5,398)	(6,293)
Other non-operating income, net		5,482	950	7,008	1,881
PROFIT FOR THE PERIOD BEFORE TAX		11,478	11,381	17,955	16,616
Income tax expense	14	(1,202)	(1,186)	(1,899)	(2,017)
NET PROFIT FOR THE PERIOD		10,276	10,195	16,056	14,599
Earnings per share:					
Basic and diluted earnings per share (AED)	23	0.26	0.26	0.41	0.38

The accompanying notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Interim consolidated statement of comprehensive income
For the period ended June 30, 2025

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025	2024	2025	2024
	(Unaudited) AED'000	(Unaudited) AED'000	(Unaudited) AED'000	(Unaudited) AED'000
NET PROFIT FOR THE PERIOD	10,276	10,195	16,056	14,599
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	10,276	10,195	16,056	14,599

The accompanying notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Interim consolidated statement of changes in equity
For the period ended June 30, 2025

	Share capital AED'000	Statutory reserve AED'000	Revaluation surplus AED'000	Retained earnings AED'000	Total AED'000
As at January 1, 2025 (audited)	38,841	7,325	6,646	31,386	84,198
Net profit for the period	-	-	-	16,056	16,056
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	16,056	16,056
Dividend paid (Note 17)	-	-	-	(7,768)	(7,768)
Directors' remuneration	-	-	-	(2,450)	(2,450)
As at June 30, 2025 (unaudited)	38,841	7,325	6,646	37,224	90,036

	Share capital AED'000	Statutory reserve AED'000	Revaluation surplus AED'000	Retained earnings AED'000	Total AED'000
As at January 1, 2024	32,368	5,906	6,646	14,012	58,932
Net profit for the period	-	-	-	14,599	14,599
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	14,599	14,599
Issuance of bonus shares (Note 17)	6,473	-	-	(6,473)	-
Directors' remuneration	-	-	-	(1,400)	(1,400)
As at June 30, 2024 (unaudited)	38,841	5,906	6,646	20,738	72,131

The accompanying notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Interim consolidated statement of cash flows
For the period ended June 30, 2025

	Six-month period ended June 30,	
	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000
OPERATING ACTIVITIES		
Profit for the period before tax	17,955	16,616
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	3,062	3,027
Depreciation of right-of-use assets	5,995	5,224
(Reversal)/allowance for expected credit losses of trade and other receivables	(238)	1,095
Gain on disposal of property, plant and equipment	(76)	(35)
Finance costs, net	5,398	6,293
Inventories written off	3,121	2,641
Provision for employees' end of service benefits	1,010	1,282
Provision for slow moving inventories	301	649
	<u>36,528</u>	<u>36,792</u>
<i>Changes in working capital</i>		
Inventories	(5,377)	(12,523)
Trade and other receivables	(21,496)	(17,135)
Trade and other payables	(7,814)	2,769
Cash from operations	<u>1,841</u>	<u>9,903</u>
Employees' end of service benefits paid	(442)	(468)
Directors' remuneration paid	(2,450)	(1,400)
Income tax paid	(2,329)	(1,042)
Net cash flows (used in)/from operating activities	<u>(3,380)</u>	<u>6,993</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(6,459)	(3,984)
Fixed deposits released/(placed)	1,875	(41)
Finance income received	234	153
Proceeds from disposal of property, plant and equipment	91	63
Advance from asset held for sale	375	-
Net cash flows used in investing activities	<u>(3,884)</u>	<u>(3,809)</u>
FINANCING ACTIVITIES		
Proceeds from interest-bearing borrowings	123,723	115,314
Repayment of interest-bearing borrowings	(66,173)	(96,825)
Finance costs paid	(3,979)	(4,935)
Dividend paid	(7,768)	-
Lease liabilities paid	(7,840)	(6,172)
Net cash flows from financing activities	<u>37,963</u>	<u>7,382</u>
Net change in cash and cash equivalents	<u>30,699</u>	<u>10,566</u>
Cash and cash equivalents at the beginning of the period	(609)	(9,050)
Cash and cash equivalents at the end of the period	<u>30,090</u>	<u>1,516</u>

The accompanying notes from 1 to 27 form an integral part of these interim condensed consolidated financial statements.

Unikai Foods (P.J.S.C.) and its subsidiary

Interim Condensed Consolidated Financial Statements

Notes to the interim condensed consolidated financial statements

For the period ended June 30, 2025

1 Legal status and principal activities

Unikai Foods (P.J.S.C.) (the “Company”) is a Public Shareholding Company incorporated on April 11, 1977, by a Decree issued by the late His Highness Sheikh Rashid bin Saeed Al Maktoum, the Ruler of Dubai, and listed on Dubai Financial Market.

The Company is engaged in the manufacturing of dairy, juice, and ice cream products and import of various kinds of food products for distribution throughout the Gulf and other countries. The registered address of the Company is P.O. Box 6424, Dubai, UAE. The Company operates eight branches throughout United Arab Emirates namely in Dubai, Abu Dhabi, Sharjah, Al Ain, Fujairah, and Ras Al-Khaimah.

These interim condensed consolidated financial statements for the six-month period ended June 30, 2025 include the financial performance and position of the Company and its subsidiary as listed below (collectively the “Group”).

<i>Name of subsidiary / trade name</i>	<i>Ownership interest (%)</i>		<i>Country of operation and Incorporation</i>	<i>Principal activities</i>
	<i>2025</i>	<i>2024</i>		
Unikai and Company LLC	100	100	Sultanate of Oman	Trading of various kinds of food products

* Unikai International LLC, a wholly owned dormant subsidiary, was formally closed as of April 17, 2025.

The interim condensed consolidated financial statements have been approved by the Board of Directors on August 11, 2025.

2 Basis of preparation and material accounting policies

a) Basis of preparation

The interim condensed consolidated financial statements of the Group for the six-month period ended June 30, 2025 have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*. The interim condensed consolidated financial statements do not include all the information required in the annual consolidated financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended December 31, 2024. In addition, the results for the six-month period ended June 30, 2025 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2025.

Accounting policies, related adjustments, estimates and assumptions adopted for the preparation of these interim condensed consolidated financial statements are the same as those applied in the preparation of the audited consolidated financial statements as at and for the year ended December 31, 2024.

The interim condensed consolidated financial statements have been prepared on an accruals basis under the historical cost convention except for investment properties and financial assets at fair value through profit or loss (FVTPL), which have been measured at fair value.

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

2 Basis of preparation and material accounting policies (continued)

b) Going concern

The interim condensed consolidated financial statements of the Group have been prepared on a going concern basis. The Group's management and the Board of Directors have made an assessment of the Group's ability to continue as a going concern based on the following factors:

- The Group has positive equity of AED 90,036 thousand as at period end which is improving year on year.
- The Group has bank balances and cash of AED 37,541 thousand as at period end which is adequate to manage day-to-day operations.
- The Group has forecasted positive operating cash flows with expected growth in revenue and profits for the year 2025 and onwards.
- The management has undertaken a detailed review of costs during 2025 with a view to reducing the cost of sales, operational and administrative costs to improve the financial performance of the Group.
- The banks have extended their existing facilities and are also providing additional facilities. The Group has sufficient credit facilities available from banks to meet monthly cash flow requirements.

Further, management and the Board of Directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the interim condensed consolidated financial statements continue to be prepared on the going concern basis.

c) Functional and presentation currency

The interim condensed consolidated financial statements are presented in Arab Emirates Dirham ("AED"), which is the Company's functional currency, and all the values are rounded to the nearest thousand (AED '000), except when otherwise indicated.

d) Basis of consolidation

These interim condensed consolidated financial statements incorporate the financial statements of the Company and its subsidiary. Control is achieved where the Company has the power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns.

e) Significant accounting estimates and judgments

The preparation of the interim condensed consolidated financial statements in conformity with IAS 34, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

f) New Standards, Amendments and Interpretations adopted as at January 1, 2025

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

Several amendments apply for the first time in 2025 and have therefore been adopted by the Group. However, these amendments do not have any significant impact on the interim condensed consolidated financial statements of the Group, and therefore, further disclosures have not been made.

Unikai Foods (P.J.S.C.) and its subsidiary
Interim Condensed Consolidated Financial Statements

Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

3 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Group as at and for the year ended December 31, 2024.

4 Property, plant and equipment

During the six-month period ended June 30, 2025, the Group acquired property, plant and equipment amounting to AED 6.46 million (June 30, 2024: AED 3.98 million).

Depreciation charge on property, plant and equipment for the six-month period ended June 30, 2025 amounted to AED 3.06 million (June 30, 2024: AED 3.03 million).

5 Investment properties

Investment properties with a carrying amount of AED 44.1 million as at June 30, 2025 (December 31, 2024: AED 44.1 million) comprise a labour accommodation, a warehouse and a right-of-use of land that are leased to third parties under operating lease arrangements. The fair values of investment properties were determined by an external independent property valuer as at December 31, 2024, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

Based on the market assessment and available comparable market data as at June 30, 2025, the management assessed that there have been no significant changes in the fair value of investment properties from December 31, 2024, and therefore no change in fair value has been recognised during the period (2024: Nil). The fair value measurement of investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

6 Right-of-use assets

The movement in right-of-use assets during the period/year is as follows:

	2025 (Unaudited) AED'000	2024 (Audited) AED'000
As at January 1,	52,068	36,977
Additions during the period/year	2,373	25,714
Depreciation for the period/year	(5,995)	(10,623)
As at June 30/December 31,	48,446	52,068

The Group has lease contracts for various plots of land, buildings and motor vehicles used in its operations.

Unikai Foods (P.J.S.C.) and its subsidiary
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Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

7 Inventories

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Raw materials and packing materials	24,313	17,660
Finished goods – manufactured	9,675	8,556
Trading goods	7,617	5,718
Semi-finished goods	1,883	531
Consumables stores and spare parts	6,231	6,434
	49,719	38,899
Less: provision for slow-moving inventories	(1,608)	(1,307)
	48,111	37,592
Goods-in-transit	2,852	11,416
	50,963	49,008

8 Trade and other receivables

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Trade receivables, gross	77,666	62,490
Less: allowance for expected credit losses of trade receivables	(7,198)	(7,436)
Trade receivables, net	70,468	55,054
Prepayments	7,901	5,691
Advances to suppliers	5,447	1,293
Other receivables	2,609	2,653
	86,425	64,691

9 Financial assets at fair value through profit or loss

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Unquoted equities – UAE	13,991	13,991
Movements during the period/year were as follow:		
	2025 AED'000	2024 AED'000
As at January 1,	13,991	16,249
Change in fair value	-	(2,258)
As at June 30/December 31,	13,991	13,991

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Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

9 Financial assets at fair value through profit or loss (continued)

Financial assets at FVTPL represent unquoted equity instruments of an entity operating in the dairy and poultry industry. The fair values of these instruments were determined by a third-party specialist using EBITDA multiples derived from the market for similar entities. This valuation methodology is based on market expectations after considering conditions including the economy in general, and the business and industry of the investee in particular, using market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

Management, based on comparable market data, has assessed that there have been no significant changes in the fair value of the financial asset at fair value through profit or loss from December 31, 2024.

10 Bank balances and cash

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Cash in hand	321	321
Bank balances – current accounts	29,769	4,720
Bank balances – fixed deposits	7,451	9,326
Bank balances and cash	37,541	14,367
Less: bank overdrafts (Note 12)	-	(5,650)
Less: fixed deposits with initial maturity of more than 3 months	(7,451)	(9,326)
Cash and cash equivalents	30,090	(609)

Fixed deposits are pledged against interest-bearing borrowings and carry interest at commercial rates.

11 Asset held for sale

The Group classified a warehouse located in the Al Hamra Industrial Zone, Ras Al Khaimah, United Arab Emirates, as held for sale in accordance with IFRS 5 “*Non-current Assets Held for Sale and Discontinued Operations*”. The asset, previously recognised under property, plant and equipment, was constructed on leased land and had not been actively used in the Group’s core operations.

On May 30, 2025, the Board of Directors passed a resolution approving the sale of the warehouse to a prospective buyer. As a result, the asset met the criteria for classification as held for sale, including being available for immediate sale in its present condition and the sale being highly probable.

The asset was remeasured at the lower of its carrying amount and fair value less costs to sell. No depreciation has been charged subsequent to its classification. The asset is presented separately in the interim consolidated statement of financial position as held for sale, and the sale is expected to be completed within 12 months from the reporting date.

12 Interest-bearing borrowings

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Trust receipts	108,278	50,074
Term loan	655	1,309
Bank overdrafts (Note 10)	-	5,650
	108,933	57,033

Unikai Foods (P.J.S.C.) and its subsidiary
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Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

12 Interest-bearing borrowings (continued)

Trust receipts and bank overdrafts were obtained to finance the working capital requirements of the Group, are short-term in nature and carry interest at commercial rates.

During 2022, the Group obtained a term loan facility from a commercial bank to part finance the construction cost of a warehouse in Ras Al Khaimah and other capital expenditures. The facility is repayable in quarterly principal instalments of AED 326 thousand each plus monthly profit accruing at competitive market rates, throughout the current year.

As at June 30, 2025 and December 31, 2024, the Group has not complied with certain financial covenants, and therefore, the term loan is classified as current liability.

13 Trade and other payables

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Trade payables	48,401	52,659
Accruals and other payables	13,644	14,511
Advances from customers	1,192	3,968
VAT payable, net	908	446
	<u>64,145</u>	<u>71,584</u>

14 Income tax

UAE Corporation Tax and Income tax related to a subsidiary

The Group calculates the income tax expense 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 as follows:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000
<i>Income taxes</i>				
Current income tax expense	1,176	1,315	1,849	1,989
Deferred income tax expense relating to the origination and reversal of temporary differences	26	(129)	50	28
Income tax expense recognised in the statement of profit or loss	<u>1,202</u>	<u>1,186</u>	<u>1,899</u>	<u>2,017</u>

Unikai Foods (P.J.S.C.) and its subsidiary
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Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

15 Lease liabilities

The movement in lease liabilities during the period/year is as follows:

	2025 (Unaudited) AED'000	2024 (Audited) AED'000
As at January 1,	55,535	39,100
Additions during the period/year	2,373	25,714
Accretion of interest	1,653	3,240
Payments made during the period/year	(7,840)	(12,519)
As at June 30/December 31,	51,721	55,535

	2025 AED'000	2024 AED'000
Current	20,136	22,967
Non-current	31,585	32,568
	51,721	55,535

16 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 approval of the Board of Directors.

Compensation to key management personnel

The remuneration of key management personnel recognised in profit or loss during the period is as follows:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000
Short term benefits	613	492	1,215	1,409
End of service benefits	43	22	65	44
	656	514	1,280	1,453

Transactions with related parties

The transactions recognised in profit or loss with related parties during the period are as follows:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000
<i>Entities with common key management personnel*</i>				
Purchases	987	323	2,410	448
Sales	432	-	432	-

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Notes to the interim condensed consolidated financial statements (continued)
For the period ended June 30, 2025

16 Related party transactions and balances (continued)

Other payables

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Key management personnel	1,103	963
Entities with common key management personnel	764	1,225

*During the period ended June 30, 2025, one entity ceased to meet the criteria of a related party. Accordingly, transactions with this entity have been excluded from the related party disclosures for the current period.

Other payables to a related party are included in accruals and other payables under 'Trade and other payables' (Note 13).

Other receivables

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Due from shareholders	720	720
Entities with common key management personnel	432	-

Other receivables from shareholders are included in other receivables under 'Trade and other receivables' (Note 8). As per the regulations, the Group's management obtained approvals by way of a special resolution for such transaction in the Annual General meeting dated April 25, 2024.

Other receivables from a related party are included in trade receivables, gross under 'Trade and other receivables' (Note 8).

For the period ended June 30, 2025, the Group has not recorded any impairment of amounts owed by the related parties (2024: AED Nil). This assessment is undertaken at each reporting date.

17 Dividends

In the general assembly meeting dated April 23, 2025, the shareholders resolved the distribution of 20% of paid-up share capital as cash dividends (2024: 20% of paid-up share capital as bonus shares). Accordingly, an amount of AED 7,768 thousand was paid during the period.

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18 Revenue

Revenue information

Set out below is the disaggregation of the Group's revenue:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	AED'000	AED'000	AED'000	AED'000
Sale of goods	110,558	109,436	219,607	205,942
<i>Geographical market</i>				
United Arab Emirates	61,605	58,073	127,285	112,057
Oman	43,977	47,844	83,124	85,879
Others	4,976	3,519	9,198	8,006
	110,558	109,436	219,607	205,942
<i>Timing of revenue recognition</i>				
At a point in time	110,558	109,436	219,607	205,942

19 Administrative, selling and distribution expenses

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	AED'000	AED'000	AED'000	AED'000
Staff salaries and benefits	13,465	14,817	26,366	27,097
Commercial vehicles	3,450	3,372	6,430	6,394
Depreciation of right-of-use assets	2,943	2,747	5,995	5,224
Shelf space and display costs	2,702	2,374	5,568	3,678
Utilities	1,752	1,424	2,971	2,534
Depreciation of property, plant and equipment	890	898	1,766	1,793
Hired labor	589	548	1,182	1,074
Legal and professional fees	588	506	1,144	978
Advertisement and other related expenses	412	932	864	1,400
Repairs and maintenance	319	217	623	404
Short-term leases	288	237	494	352
Insurance	60	219	299	381
Others	1,768	1,546	3,243	3,031
	29,226	29,837	56,945	54,340

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20 Finance costs, net

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	AED'000	AED'000	AED'000	AED'000
Interest expense on trust receipts	1,670	1,713	3,038	3,356
Interest expense on lease liabilities (Note 15)	816	848	1,653	1,511
Bank charges	400	353	785	781
Interest expense on bank overdrafts	24	295	94	690
Interest expense on term loan	16	51	62	108
Interest income on fixed deposits	(162)	(75)	(234)	(153)
	<u>2,764</u>	<u>3,185</u>	<u>5,398</u>	<u>6,293</u>

21 Contingencies and commitments

Guarantees and purchase commitments

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Letters of guarantee	<u>1,583</u>	<u>1,583</u>
Letters of credit	<u>262</u>	<u>262</u>

Capital commitments

The capital commitments outstanding represent the costs to be incurred towards a cooling system for the plant, freezers and chillers and conversion of another product line (change in specification).

	June 30, 2025 (Unaudited) AED'000	December 31, 2024 (Audited) AED'000
Capital commitments	<u>371</u>	<u>1,404</u>

22 Legal cases

As at June 30, 2025, the Group has outstanding legal cases. All these cases are pending before the Court for the hearings and final decisions. The management has reviewed the status of these legal cases and believes that the existing provisions are adequate and reasonable.

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23 Earnings per share

	Three-month period ended June 30,		Six-month period ended June 30,	
	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000	2025 (Unaudited) AED'000	2024 (Unaudited) AED'000
Net profit for the period	10,276	10,195	16,056	14,599
Weighted average number of shares outstanding	38,841	38,841	38,841	38,841
Basic and diluted earnings per share	0.26	0.26	0.41	0.38

24 Segmental reporting

The Group operates in the single reporting segment of dairy, juice, ice cream, and other food products. All the relevant information relating to this reporting/operating segment is disclosed in the interim consolidated statement of financial position, interim consolidated statement of profit or loss, interim 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 revenue along geographical regions. All significant activities of the Group are performed on an integrated basis in the Gulf region and the Directors consider an analysis by individual country would not be meaningful (as the Oman operations are an extension of the sales and marketing activities of the Company).

Additional information required by IFRS 8, "Segment reporting", is disclosed below:

Major customers

During the period ended June 30, 2025 there were no customers of the Group with revenues greater than 10% of the total revenue of the Group (2024: None).

25 Fair value measurement

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.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The following table shows an analysis of financial and non-financial assets recorded at fair value by level of the fair value hierarchy:

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25 Fair value measurement (continued)

June 30, 2025 (Unaudited)	Total	Level 1	Level 2	Level 3
	AED'000	AED'000	AED'000	AED'000
Financial asset at fair value through profit or loss	13,991	-	-	13,991
Investment properties	44,100	-	-	44,100
December 31, 2024 (Audited)	Total	Level 1	Level 2	Level 3
	AED'000	AED'000	AED'000	AED'000
Financial asset at fair value through profit or loss	13,991	-	-	13,991
Investment properties	44,100	-	-	44,100

There were no transfers between Level 1, 2 and 3 during the current and prior periods.

26 Subsequent events

On July 16, 2025, the Group finalised the sale of the warehouse classified as held for sale. Legal title to both the warehouse and the associated leased land was transferred to the buyer upon receiving approval from the Ras Al Khaimah Economic Zone Authority (RAKEZ), in accordance with the terms of the sales purchase agreement. Except for this, there were no material events after the reporting date that could require adjustments or disclosures in these interim condensed consolidated financial statements.

27 Seasonality

Due to the seasonal nature of the business of the Group, the results of operations of certain quarters, which fall in off peak periods, may be substantially different from other quarters, which fall in the peak seasons (i.e. during summer season). Therefore, revenue may not be evenly distributed over the four quarters of the same year and thus the results of operations for each quarter may not be comparable to other quarters of the same year.