

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

Interim Condensed Consolidated  
Financial Statements  
For the period ended June 30, 2024

**Unikai Foods (P.J.S.C.) and its subsidiaries**  
**Interim Condensed Consolidated Financial Statements**  
**For the period ended June 30, 2024**

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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 subsidiaries (collectively referred to as “the Group”), comprising the interim consolidated statement of financial position as at June 30, 2024, and the related interim consolidated statements of profit or loss and 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 condensed consolidated financial statements 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**



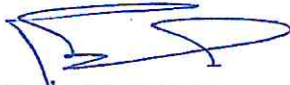
**07 AUG 2024**


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

**Interim consolidated statement of financial position**  
**As at June 30, 2024**

	Notes	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	39,271	38,342
Investment properties	5	44,100	44,100
Right-of-use assets	6	53,737	36,977
Deferred tax asset		1,103	1,010
		<u>138,211</u>	<u>120,429</u>
<b>Current assets</b>			
Inventories	7	54,227	44,994
Trade and other receivables	8	71,494	55,454
Financial assets at fair value through profit or loss	9	16,249	16,249
Bank balances and cash	10	20,002	13,850
		<u>161,972</u>	<u>130,547</u>
<b>TOTAL ASSETS</b>		<u><b>300,183</b></u>	<u><b>250,976</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	16	38,841	32,368
Statutory reserve		5,906	5,906
Revaluation surplus		6,646	6,646
Retained earnings		24,214	17,488
<b>Total equity</b>		<u>75,607</u>	<u>62,408</u>
<b>Non-current liabilities</b>			
Employees' end of service benefits		9,039	8,225
Lease liabilities	14	35,913	25,176
Deferred tax liabilities		122	-
		<u>45,074</u>	<u>33,401</u>
<b>Current liabilities</b>			
Interest-bearing borrowings	11	87,367	73,333
Trade and other payables	12	69,621	66,852
Lease liabilities	14	20,510	13,924
Provision for income tax		2,004	1,058
		<u>179,502</u>	<u>155,167</u>
<b>Total liabilities</b>		<u>224,576</u>	<u>188,568</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>300,183</b></u>	<u><b>250,976</b></u>

These interim condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on **07 AUG 2024** and signed on its behalf by:

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

The accompanying notes from 1 to 26 form an integral part of these interim condensed consolidated financial statements.

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

**Interim consolidated statement of profit or loss**  
**For the period ended June 30, 2024**

	Notes	Three-month period ended June 30,		Six-month period ended June 30,	
		2024	2023	2024	2023
		(Unaudited) AED'000	(Unaudited) AED'000	(Unaudited) AED'000	(Unaudited) AED'000
Revenue	17	109,436	95,321	205,942	173,718
Cost of sales		(65,936)	(60,748)	(129,479)	(115,385)
<b>GROSS PROFIT</b>		<b>43,500</b>	<b>34,573</b>	<b>76,463</b>	<b>58,333</b>
Administrative, selling and distribution expenses	18	(29,837)	(23,866)	(54,340)	(44,737)
Allowance for expected credit losses of trade and other receivables		(47)	-	(1,095)	-
<b>OPERATING PROFIT</b>		<b>13,616</b>	<b>10,707</b>	<b>21,028</b>	<b>13,596</b>
Finance costs, net	19	(3,185)	(2,605)	(6,293)	(5,147)
Change in fair value of financial assets at FVTPL		-	-	-	1
Other non-operating income, net		950	450	1,881	581
<b>PROFIT FOR THE PERIOD BEFORE TAX</b>		<b>11,381</b>	<b>8,552</b>	<b>16,616</b>	<b>9,031</b>
Income tax expense	13	(1,186)	(565)	(2,017)	(502)
<b>NET PROFIT FOR THE PERIOD</b>		<b>10,195</b>	<b>7,987</b>	<b>14,599</b>	<b>8,529</b>
<b>Earnings per share:</b>					
Basic and diluted earnings per share (AED)	21	0.26	0.21	0.38	0.22

The accompanying notes from 1 to 26 form an integral part of these interim condensed consolidated financial statements.

**Unikai Foods (P.J.S.C.) and its subsidiaries**  
**Interim Condensed Consolidated Financial Statements**  
**Interim consolidated statement of comprehensive income**  
**For the period ended June 30, 2024**

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	Three-month period ended June 30,		Six-month period ended June 30,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
<b>NET PROFIT FOR THE PERIOD</b>	<b>10,195</b>	<b>7,987</b>	<b>14,599</b>	<b>8,529</b>
Other comprehensive income	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>10,195</b>	<b>7,987</b>	<b>14,599</b>	<b>8,529</b>

The accompanying notes from 1 to 26 form an integral part of these interim condensed consolidated financial statements.

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

**Interim consolidated statement of changes in equity**  
**For the period ended June 30, 2024**

	Share capital AED'000	Statutory reserve AED'000	Revaluation surplus AED'000	Retained earnings AED'000	Total AED'000
As at January 1, 2024 (audited)	32,368	5,906	6,646	17,488	62,408
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 16)	6,473	-	-	(6,473)	-
Directors' remuneration	-	-	-	(1,400)	(1,400)
<b>As at June 30, 2024 (unaudited)</b>	<b>38,841</b>	<b>5,906</b>	<b>6,646</b>	<b>24,214</b>	<b>75,607</b>
As at January 1, 2023 (audited)	32,368	3,870	6,646	566	43,450
Net profit for the period	-	-	-	8,529	8,529
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	8,529	8,529
Directors' remuneration	-	-	-	(1,400)	(1,400)
<b>As at June 30, 2023 (unaudited)</b>	<b>32,368</b>	<b>3,870</b>	<b>6,646</b>	<b>7,695</b>	<b>50,579</b>

The accompanying notes from 1 to 26 form an integral part of these interim condensed consolidated financial statements.



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

**Interim consolidated statement of cash flows**  
**For the period ended June 30, 2024**

	Six-month period ended June 30,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
<b>OPERATING ACTIVITIES</b>		
Profit for the period before tax	16,616	9,031
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	3,027	2,662
Depreciation of right-of-use assets	5,224	5,048
Allowance for expected credit losses of trade and other receivables	1,095	-
Change in fair value of financial assets at FVTPL	-	(1)
Gain on disposal of property, plant and equipment	(35)	(21)
Finance costs, net	6,293	5,147
Inventories written-off	-	2,997
Provision for employees' end of service benefits	1,282	756
Provision for slow moving inventories	649	119
	<u>34,151</u>	<u>25,738</u>
<i>Changes in working capital</i>		
Inventories	(9,882)	(10,227)
Trade and other receivables	(17,135)	(12,995)
Trade and other payables	2,769	13,653
<b>Cash from operations</b>	<u>9,903</u>	<u>16,169</u>
Employees' end of service benefits paid	(468)	(366)
Directors' remuneration paid	(1,400)	(1,400)
Income tax paid	(1,042)	(389)
<b>Net cash flows from operating activities</b>	<u>6,993</u>	<u>14,014</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,984)	(3,572)
Fixed deposits placed	(41)	(125)
Finance income received	153	72
Proceeds from disposal of property, plant and equipment	63	38
Proceeds from disposal of a financial asset at FVTPL	-	13
<b>Net cash flows used in investing activities</b>	<u>(3,809)</u>	<u>(3,574)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from interest-bearing borrowings	115,314	92,432
Repayment of interest-bearing borrowings	(96,825)	(91,397)
Finance costs paid	(4,935)	(4,250)
Dividend paid	-	(85)
Lease liabilities paid	(6,172)	(7,543)
<b>Net cash flows from/(used in) financing activities</b>	<u>7,382</u>	<u>(10,843)</u>
<b>Net change in cash and cash equivalents</b>	<u>10,566</u>	<u>(403)</u>
Cash and cash equivalents at the beginning of the period	(9,050)	(7,304)
<b>Cash and cash equivalents at the end of the period</b>	<u>1,516</u>	<u>(7,707)</u>

The accompanying notes from 1 to 26 form an integral part of these interim condensed consolidated financial statements.



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

**Notes to the interim condensed consolidated financial statements**  
**For the period ended June 30, 2024**

**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 six 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, 2024 include the financial performance and position of the Company and its subsidiaries as listed below (collectively the “Group”).

<i>Name of subsidiaries / trade name</i>	<i>Ownership interest (%)</i>		<i>Country of operation and Incorporation</i>	<i>Principal activities</i>
	<i>2024</i>	<i>2023</i>		
Unikai and Company LLC	100	100	Sultanate of Oman	Trading of various kinds of food products
Unikai International LLC*	100	100	United Arab Emirates	Trading of various kinds of food products

\* The subsidiary is dormant.

The interim condensed consolidated financial statements have been approved by the Board of Directors on August 7, 2024.

**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, 2024 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 International Financial Reporting Standards (IFRS) and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended December 31, 2023. In addition, the results for the six-month period ended June 30, 2024 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2024.

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, 2023.

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 subsidiaries**  
**Interim Condensed Consolidated Financial Statements**

**Notes to the interim condensed consolidated financial statements (continued)**  
**For the period ended June 30, 2024**

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**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 75,607 thousand as at period end which is improving year on year.
- The Group has bank balances and cash of AED 20,002 thousand as at period end which is reasonable to manage day-to-day operations.
- The Group has forecasted positive operating cash flows with expected growth in revenue and profits for the year 2024 and onwards.
- The management has undertaken a detailed review of costs during 2024 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 for 2024. 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 other 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 subsidiaries. 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, 2024**

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, 2023 except for the adoption of new standards effective as of January 1, 2024 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 2024 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 subsidiaries**  
**Interim Condensed Consolidated Financial Statements**

**Notes to the interim condensed consolidated financial statements (continued)**  
**For the period ended June 30, 2024**

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**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, 2023.

**4 Property, plant and equipment**

During the six-month period ended June 30, 2024, the Group acquired property, plant and equipment amounting to AED 3.98 million (2023: AED 1.73 million).

Depreciation charge on property, plant and equipment for the six-month period ended June 30, 2024 amounted to AED 3.03 million (2023: AED 1.33 million).

**5 Investment properties**

Investment properties with a carrying amount of AED 44.1 million (2023: 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, 2023, 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, 2024, the management assessed that there have been no significant changes in the fair value of investment properties from December 31, 2023, and therefore no change in fair value has been recognised during the period (2023: 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**

	2024 (Unaudited) AED'000	2023 (Audited) AED'000
As at January 1,	36,977	31,894
Additions during the period/year	21,987	12,533
Depreciation for the period/year	(5,224)	(10,180)
Other movement during the period/year	(3)	-
Transfer from investment properties	-	2,547
Lease modification	-	183
<b>As at June 30 / December 31,</b>	<b>53,737</b>	<b>36,977</b>

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 subsidiaries**  
**Interim Condensed Consolidated Financial Statements**

**Notes to the interim condensed consolidated financial statements (continued)**  
**For the period ended June 30, 2024**

**7 Inventories**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Raw materials and packing materials	28,705	22,909
Finished goods – manufactured	8,523	6,951
Trading goods	6,138	4,752
Semi-finished goods	1,638	872
Consumables stores and spare parts	6,111	6,477
	<u>51,115</u>	<u>41,961</u>
Less: provision for slow-moving inventories	(2,168)	(1,519)
	<u>48,947</u>	<u>40,442</u>
Goods-in-transit	5,280	4,552
	<u>54,227</u>	<u>44,994</u>

**8 Trade and other receivables**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Trade receivables, gross	64,826	53,336
Less: allowance for expected credit losses of trade receivables	(6,511)	(6,456)
Trade receivables, net	<u>58,315</u>	<u>46,880</u>
Prepayments	6,276	3,551
Advances to suppliers	4,251	1,547
Other receivables	4,578	4,361
Less: allowance for expected credit losses of other receivables	(1,926)	(885)
	<u>71,494</u>	<u>55,454</u>

**9 Financial assets at fair value through profit or loss**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Unquoted equities – UAE	<u>16,249</u>	<u>16,249</u>

Movements during the period/year were as follow:

	2024 AED'000	2023 AED'000
As at January 1,	16,249	18,634
Change in fair value	-	(2,372)
Disposal	-	(13)
As at June 30/December 31,	<u>16,249</u>	<u>16,249</u>

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

**Notes to the interim condensed consolidated financial statements (continued)**  
**For the period ended June 30, 2024**

**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 and another in the logistics industry, which was disposed of during the previous period. 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, 2023.

**10 Cash and cash equivalents**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Cash in hand	370	425
Bank balances – current accounts	7,668	1,502
Bank balances – fixed deposits	11,964	11,923
<b>Bank balances and cash</b>	<b>20,002</b>	<b>13,850</b>
Less: bank overdrafts	(6,522)	(10,977)
Less: fixed deposits with initial maturity of more than 3 months	(11,964)	(11,923)
<b>Cash and cash equivalents</b>	<b>1,516</b>	<b>(9,050)</b>

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

**11 Interest-bearing borrowings**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Trust receipts	78,572	59,749
Bank overdrafts	6,522	10,977
Term loan	2,273	2,607
	<b>87,367</b>	<b>73,333</b>

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 325 thousand each plus profit accruing at competitive market rates over a period of 2 years commencing from the first half 2024.

As at June 30, 2024 and December 31, 2023, the Group has not complied with certain financial covenants, and therefore, the term loan is classified as current liability.

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

**Notes to the interim condensed consolidated financial statements (continued)**  
**For the period ended June 30, 2024**

**12 Trade and other payables**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Trade payables	52,384	52,783
Accruals and other payables	14,639	10,131
Advances from customers	1,486	3,203
VAT payable, net	1,112	735
	<u>69,621</u>	<u>66,852</u>

**13 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,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
<i>Income taxes</i>				
Current income tax expense	1,315	372	1,989	372
Deferred income tax expense relating to origination and reversal of temporary differences	(129)	193	28	130
<b>Income tax expense recognised in the statement of profit or loss</b>	<u>1,186</u>	<u>565</u>	<u>2,017</u>	<u>502</u>

**14 Lease liabilities**

	2024 (Unaudited) AED'000	2023 (Audited) AED'000
As at January 1,	39,100	39,058
Additions during the period/year	21,987	12,533
Accretion of interest	1,511	2,020
Other movement during the period/year	(3)	-
Payments made during the period/year	(6,172)	(14,694)
Lease modification	-	183
<b>As at June 30 / December 31,</b>	<u>56,423</u>	<u>39,100</u>
Current	20,510	13,924
Non-current	35,913	25,176
	<u>56,423</u>	<u>39,100</u>



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

**Notes to the interim condensed consolidated financial statements (continued)**  
**For the period ended June 30, 2024**

**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 approval of the Board of Directors.

**Compensation to key management personnel**

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

	Three-month period ended June 30,		Six-month period ended June 30,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
Short term benefits	492	618	1,409	1,160
End of service benefits	22	22	44	44
	<b>514</b>	<b>640</b>	<b>1,453</b>	<b>1,204</b>

**Transactions with related entities**

The transactions recognized 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,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
<i>Entities with common key management personnel</i>				
Purchases	323	127	448	627
Expenses	65	91	129	151

**Other payables**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Key management personnel	464	924
Entity with common key management personnel	323	55

**Other receivables**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Due from shareholders	720	720

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, 2023.

For the period ended June 30, 2024, the Group has not recorded any impairment of amounts owed by the related parties (2023: AED Nil). This assessment is undertaken each reporting date.



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**16 Equity**

The Company's share capital consists of 38,841 thousand ordinary shares of AED 1 each (2023: AED 32,368 thousand ordinary shares of AED 1 each). In the general assembly meeting dated April 2, 2024, the shareholders resolved the distribution of 20% bonus shares as dividends, and accordingly, an amount of AED 6,473 thousand has been transferred from retained earnings to share capital. The shares were issued on April 16, 2024.

**17 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,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
Sale of goods	109,436	95,321	205,942	173,718
<b><i>Geographical market</i></b>				
United Arab Emirates	58,073	49,543	112,057	92,488
Oman	47,844	42,648	85,879	73,776
Others	3,519	3,130	8,006	7,454
	109,436	95,321	205,942	173,718
<b><i>Timing of revenue recognition</i></b>				
At a point in time	109,436	95,321	205,942	173,718

**18 Administrative, selling and distribution expenses**

	Three-month period ended June 30,		Six-month period ended June 30,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
Staff salaries and benefits	14,817	11,856	27,097	22,290
Commercial vehicle expenses	3,372	2,721	6,394	5,218
Depreciation of right-of-use assets	2,747	2,485	5,224	5,048
Shelf space and display costs	2,374	1,531	3,678	2,610
Utilities	1,424	1,475	2,534	2,628
Advertisement and other selling expenses	932	543	1,400	687
Depreciation of property, plant and equipment	898	738	1,793	1,474
Hired labour costs	548	489	1,074	972
Legal and professional	506	458	978	856
Other expenses	2,219	1,570	4,168	2,954
	29,837	23,866	54,340	44,737

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**19 Finance costs, net**

	Three-month period ended June 30,		Six-month period ended June 30,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
Interest on trust receipts	1,713	1,425	3,356	2,654
Interest on lease liabilities	848	471	1,511	968
Bank charges	302	281	677	593
Interest on bank overdrafts	295	154	690	313
Bank facility charges	51	64	104	119
Interest on term loan	51	262	108	572
Interest from fixed deposits	(75)	(52)	(153)	(72)
	<b>3,185</b>	<b>2,605</b>	<b>6,293</b>	<b>5,147</b>

**20 Contingencies and commitments**

**Guarantees and purchase commitments**

	June 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Letters of guarantee	1,595	1,598
Letters of credit	262	1,058

**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, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
Capital commitments	4,325	2,894

**Legal cases**

As at June 30, 2024, 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 all of these legal cases and believes that the existing provisions are adequate and reasonable.

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**21 Earnings per share**

	Three-month period ended June 30,		Six-month period ended June 30,	
	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000	2024 (Unaudited) AED'000	2023 (Unaudited) AED'000
Net profit for the period	10,195	7,987	14,599	8,529
Weighted average number of shares outstanding	38,841	38,841	38,841	38,841
Basic and diluted earnings per share	0.26	0.21	0.38	0.22

The Group has issued bonus shares as dividend on April 16, 2024 (Note 16), which has a retrospective dilutive impact on the comparative earnings per share.

**22 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, 2024 there were no customers of the Group with the revenues greater than 10% of the total revenue of the Group (2023: None).

**23 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.

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**23 Fair value measurement (continued)**

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

<b>June 30, 2024 (Unaudited)</b>	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
Financial asset at fair value through profit or loss	<u>16,249</u>	-	-	<u>16,249</u>
Investment properties	<u>44,100</u>	-	-	<u>44,100</u>
<b>December 31, 2023 (Audited)</b>	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
Financial asset at fair value through profit or loss	<u>16,249</u>	-	-	<u>16,249</u>
Investment properties	<u>44,100</u>	-	-	<u>44,100</u>

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

**24 Subsequent events**

There were no material events after the reporting date which could require adjustments or disclosures in these interim condensed consolidated financial statements.

**25 Comparative figures**

Certain comparative figures in the interim consolidated statement of profit or loss have been reclassified, where appropriate, to confirm to the current period's presentation. Such reclassifications did not have any impact on the previously reported net assets and results of the Group and are summarised as follows:

	As previously reported AED'000	Reclassification AED'000	As currently reported AED'000
<b>Three-month period ended June 30, 2023</b>			
Revenue	93,391	1,930	<b>95,321</b>
Cost of sales	(60,388)	(360)	<b>(60,748)</b>
Gross profit	33,003	1,570	<b>34,573</b>
Administrative, selling and distribution expenses	<u>(22,296)</u>	<u>(1,570)</u>	<u><b>(23,866)</b></u>
	As previously reported AED'000	Reclassification AED'000	As currently reported AED'000
<b>Six-month period ended June 30, 2023</b>			
Revenue	170,729	2,989	<b>173,718</b>
Cost of sales	(115,099)	(286)	<b>(115,385)</b>
Gross profit	55,630	2,703	<b>58,333</b>
Administrative, selling and distribution expenses	<u>(42,034)</u>	<u>(2,703)</u>	<u><b>(44,737)</b></u>

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**26 Seasonality**

Due to 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 of each quarter may not be comparable to other quarters of the same year.