



# يونيكاي للأغذية (شركة مساهمة عامة) UNIKAI FOODS P.J.S.C.

## Detailed analysis of accumulated losses

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| Date:                                                                   | 10-Aug-2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Listed Company Name:                                                    | Unikai Foods PJSC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Define the period of the financial statements                           | Q2 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Accumulated losses:                                                     | AED 11,245                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Accumulated losses to capital ratio:                                    | 34.74%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| The main reasons leading to these accumulated losses and their history: | The accumulated losses carried in the financials mainly belongs to the year 2018 which had occurred as a result of general slowdown, competitive market conditions, regulations of IFRS-9 on expected credit losses and other legislations introduced in 2018. In 2019, the company again started posting profit and similar trend has been seen in the year 2020 and YTD Q2 2021 as well.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Measures to be taken to address accumulated losses:                     | <p>Following the strategy implemented in the year 2020, the management's focus continues to reduce its operating expenses in terms of fleet, outsource manpower, re-negotiating the costs of key materials and focus on profitable revenue segments.</p> <p>During the half year ended 30<sup>th</sup> June 2021, the company has been able reduce its losses from AED 2.2 million for half year ended 30<sup>th</sup> June 2020 to a profit of AED 4.3 million for the current year. This has reduced our accumulated losses to AED 11.2 million which is 34.7% of the share capital. This has been achieved by reducing the operational costs and maintaining the same levels of revenue side by side. The management continues to focus to strive for profitable volume growth, further rationalization of expenses to improve the efficiency and reduce the operational cost to turn the accumulated losses into positive retained earnings.</p> |

  
Neeraj Vohra  
CEO

