

A D N H Catering plc

**Review report and condensed consolidated interim
financial information for the nine-month period ended
30 September 2025 (Unaudited)**

A D N H Catering plc

Review report and condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (Unaudited)

	Pages
Review report on the condensed consolidated interim financial information	1 - 2
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statement of profit or loss	4
Condensed consolidated interim statement of comprehensive income	5
Condensed consolidated interim statement of changes in equity	6
Condensed consolidated interim statement of cash flows	7 - 8
Notes to the condensed consolidated interim financial information	9 - 35



Review report on condensed consolidated interim financial information to the Board of Directors of A D N H Catering plc

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of A D N H Catering plc (the ‘Company’) and its subsidiaries (the ‘Group’) as at 30 September 2025 and the related condensed consolidated interim statements of profit or loss, comprehensive income for the three-month and nine-month periods then ended, and condensed consolidated interim statements of changes in equity and cash flows for the nine-month period then ended, and other explanatory notes.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with the International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”). Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting.”

PricewaterhouseCoopers Limited Partnership (ADGM Branch)
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Review report on condensed consolidated interim financial information to the Board of Directors of A D N H Catering plc (continued)

Other matter

The comparative information presented in the condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine-month period ended 30 September 2024, has not been audited or reviewed.

For and on behalf of PricewaterhouseCoopers Limited Partnership (ADGM Branch)

Imran Massey

.....

5 November 2025

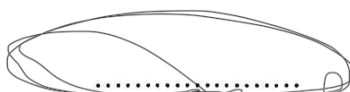



A D N H Catering plc

Condensed consolidated interim statement of financial position

		As at	
	Note	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	21,616,245	16,702,679
Right-of-use assets	6	53,195,122	60,595,550
Intangible assets	7	306,621,135	280,732,728
Investment in a joint venture	8	-	10,910,760
		<u>381,432,502</u>	<u>368,941,717</u>
Current assets			
Inventories		18,471,407	14,574,074
Trade and other receivables	9	759,960,129	660,116,452
Due from related parties	10	35,355,577	10,979,488
Cash and cash equivalents	11	112,047,817	190,226,355
		<u>925,834,930</u>	<u>875,896,369</u>
Total assets		<u>1,307,267,432</u>	<u>1,244,838,086</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	225,000,000	225,000,000
Statutory reserve	12	10,000,000	10,000,000
Additional contributed capital	12	142,354,198	142,354,198
Own shares	13	(30,226,995)	(20,685,738)
Other reserves		6,249,032	6,249,032
Retained earnings		157,348,104	123,703,608
Proposed dividend	12	90,000,000	60,000,000
Capital and reserves attributable to equity holders of the Parent		<u>600,724,339</u>	<u>546,621,100</u>
Non-controlling interests	23	33,688,147	-
Total equity		<u>634,412,486</u>	<u>546,621,100</u>
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits		119,585,274	114,319,760
Lease liabilities	14	23,400,571	24,481,384
Deferred tax liabilities	21	16,749,281	17,323,775
		<u>159,735,126</u>	<u>156,124,919</u>
Current liabilities			
Trade and other payables	15	426,462,812	418,617,421
Bank borrowings	16	25,255,232	50,484,586
Due to related parties	10	22,515,038	21,668,363
Lease liabilities	14	25,906,463	31,985,560
Current tax liabilities	21	12,980,275	19,336,137
		<u>513,119,820</u>	<u>542,092,067</u>
Total liabilities		<u>672,854,946</u>	<u>698,216,986</u>
Total equity and liabilities		<u>1,307,267,432</u>	<u>1,244,838,086</u>

To the best of our knowledge, the condensed consolidated interim financial information is prepared, in all material respects, in accordance with IAS 34.

The condensed consolidated interim financial information was authorised and approved by the Board of Directors for issuance on 5 November 2025.

			
Khalaf Sultan Rashed Saeed Al Dhaheri Chairman	Sheikh Ahmed Mohammed Sultan Suroor Aldhahiri Vice Chairman	Clive William Cowley Chief Executive Officer	Anthony Deniol Childers Chief Financial Officer

The notes on pages 9 to 35 are an integral part of this condensed consolidated interim financial information. (3)



A D N H Catering plc

Condensed consolidated interim statement of profit or loss

	Note	Three-month period ended 30 September		Nine-month period ended 30 September	
		2025	2024	2025	2024
		AED	AED	AED	AED
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited and not reviewed)
Revenues from contracts with customers	17	426,761,477	407,246,436	1,264,620,488	1,133,648,525
Direct costs		(364,924,992)	(342,597,351)	(1,047,644,896)	(958,385,832)
Gross profit		<u>61,836,485</u>	<u>64,649,085</u>	<u>216,975,592</u>	<u>175,262,693</u>
General and administrative expenses		(23,675,442)	(21,902,488)	(72,478,298)	(57,806,920)
Provision for impairment of financial assets		(380,094)	-	(23,876,697)	-
Gain on previously held equity interest in joint venture		13,168,738	-	13,168,738	-
Other income, net		<u>4,299,856</u>	<u>33,635</u>	<u>4,353,713</u>	<u>280,603</u>
Operating profit		<u>55,249,543</u>	<u>42,780,232</u>	<u>138,143,048</u>	<u>117,736,376</u>
Finance income		21,047	80,729	1,035,738	2,679,218
Finance costs		(1,997,464)	(1,582,534)	(4,165,066)	(2,868,815)
Finance costs, net	18	<u>(1,976,417)</u>	<u>(1,501,805)</u>	<u>(3,129,328)</u>	<u>(189,597)</u>
Share of profit of investment accounted for using the equity method	8	<u>339,429</u>	<u>651,257</u>	<u>995,726</u>	<u>651,257</u>
Profit before income tax		<u>53,612,555</u>	<u>41,929,684</u>	<u>136,009,446</u>	<u>118,198,036</u>
Income tax expense	21	<u>(3,410,264)</u>	<u>(3,715,187)</u>	<u>(12,131,680)</u>	<u>(10,670,039)</u>
Profit for the period		<u><u>50,202,291</u></u>	<u><u>38,214,497</u></u>	<u><u>123,877,766</u></u>	<u><u>107,527,997</u></u>
Profit attributable to:					
Equity holders of the Parent		49,969,021	38,214,497	123,644,496	107,527,997
Non-controlling interests		<u>233,270</u>	<u>-</u>	<u>233,270</u>	<u>-</u>
		<u><u>50,202,291</u></u>	<u><u>38,214,497</u></u>	<u><u>123,877,766</u></u>	<u><u>107,527,997</u></u>
Basic and diluted earnings per share attributable to ordinary equity holders of the Parent (AED)	22	<u>0.0225</u>	<u>0.0170</u>	<u>0.0558</u>	<u>0.0478</u>

A D N H Catering plc

Condensed consolidated interim statement of comprehensive income

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025	2024	2025	2024
	AED	AED	AED	AED
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited and not reviewed)
Profit for the period	50,202,291	38,214,497	123,877,766	107,527,997
Other comprehensive income	-	-	-	-
<i>Items that will not be reclassified to profit or loss:</i>				
Actuarial gain on employees' end of service benefits	-	-	-	372,769
Total comprehensive income for the period	<u>50,202,291</u>	<u>38,214,497</u>	<u>123,877,766</u>	<u>107,900,766</u>
Total comprehensive income for the period attributable to:				
Equity holders of the Parent	49,969,021	38,214,497	123,644,496	107,900,766
Non-controlling interests	<u>233,270</u>	<u>-</u>	<u>233,270</u>	<u>-</u>
	<u>50,202,291</u>	<u>38,214,497</u>	<u>123,877,766</u>	<u>107,900,766</u>

A D N H Catering plc

Condensed consolidated interim statement of changes in equity

	Attributable to equity holders of the Parent							Non-controlling interests AED	Total equity AED
	Share capital AED	Statutory reserve AED	Additional contributed capital AED	Own shares AED	Other reserves AED	Retained earnings AED	Proposed dividends AED	Total AED	
At 1 January 2024 (Unaudited and not reviewed)	-	10,000,000	20,000,000	-	-	243,989,233	-	273,989,233	273,989,233
Profit for the period	-	-	-	-	-	107,527,997	-	107,527,997	107,527,997
Other comprehensive income for the period	-	-	-	-	372,769	-	-	372,769	372,769
Total comprehensive income for the period	-	-	-	-	372,769	107,527,997	-	107,900,766	107,900,766
Transactions with the shareholders:									
Share capital issuance	3,673	-	-	-	-	-	-	3,673	3,673
Business combination of entities under common control	-	-	276,088,627	-	-	-	-	276,088,627	276,088,627
Acquisition of a joint venture from the Parent (Note 1, 8)	-	-	9,708,096	-	-	-	-	9,708,096	9,708,096
Increase in share capital	224,996,327	-	(224,996,327)	-	-	-	-	-	-
Capital contribution	-	-	61,553,802	-	-	-	-	61,553,802	61,553,802
Dividends declared	-	-	-	-	-	(211,435,726)	-	(211,435,726)	(211,435,726)
At 30 September 2024 (Unaudited and not reviewed)	225,000,000	10,000,000	142,354,198	-	372,769	140,081,504	-	517,808,471	517,808,471
At 1 January 2025 (Audited)	225,000,000	10,000,000	142,354,198	(20,685,738)	6,249,032	123,703,608	60,000,000	546,621,100	546,621,100
Profit for the period	-	-	-	-	-	123,644,496	-	123,644,496	123,877,766
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	123,644,496	-	123,644,496	123,877,766
Transactions with the shareholders:									
Purchase of own shares	-	-	-	(9,541,257)	-	-	-	(9,541,257)	(9,541,257)
Non-controlling interest on acquisition of a subsidiary (Note 20)	-	-	-	-	-	-	-	33,454,877	33,454,877
Proposed dividends	-	-	-	-	-	(90,000,000)	90,000,000	-	-
Dividends paid	-	-	-	-	-	-	(60,000,000)	(60,000,000)	(60,000,000)
At 30 September 2025 (Unaudited)	225,000,000	10,000,000	142,354,198	(30,226,995)	6,249,032	157,348,104	90,000,000	600,724,339	634,412,486

The notes on pages 9 to 35 are an integral part of this condensed consolidated interim financial information.

A D N H Catering plc

Condensed consolidated interim statement of cash flows

		Nine-month period ended 30 September	
	Note	2025 AED (Unaudited)	2024 AED (Unaudited and not reviewed)
Cash flows from operating activities			
Profit before income tax		136,009,446	118,198,036
Adjustments for:			
Depreciation of property and equipment	5	13,793,261	10,647,026
Depreciation of right-of-use assets	6	28,595,086	27,685,774
Amortisation of intangible assets	7	7,857,068	5,074,888
Provision of impairment of financial assets		23,876,697	-
Reversal of provision for slow moving inventories		(16,209)	-
Share of profit of investment accounted for using the equity method	8	(995,726)	(651,257)
Loss/(gain) on disposal of property and equipment		53,711	(163,997)
Gain on previously held equity interest in joint venture		(13,168,738)	-
Gain on bargain purchase		(4,290,150)	-
Provision for employees' end of service benefits		18,146,942	15,269,257
Finance income	18	(1,035,738)	(2,679,218)
Finance costs	18	4,165,066	2,868,815
Operating cash flows before payment of employees' end of service benefits and changes in working capital		212,990,716	176,249,324
Payment of employees' end of service benefits		(17,274,672)	(8,964,245)
Changes in working capital:			
Inventories		467,405	(2,020,228)
Trade and other receivables		(69,613,285)	(39,188,969)
Due from related parties		9,792,202	25,610,808
Trade and other payables		(51,214,259)	(18,957,450)
Due to related parties		(10,936,546)	(34,994,170)
Income tax paid		(19,927,828)	-
Net cash generated from operating activities		54,283,733	97,735,070
Cash flows from investing activities			
Purchase of property and equipment	5	(13,834,247)	(9,702,278)
Proceeds from disposal of property and equipment		70,118	360,333
Payment for acquisition of a subsidiary, net of cash acquired	19, 20	(2,137,823)	455,837
Finance income received	18	1,035,738	2,679,218
Net cash used in investing activities		(14,866,214)	(6,206,890)
Cash flows from financing activities			
Dividends		(60,000,000)	(149,881,924)
Finance cost paid	18	(4,165,066)	(2,868,815)
Principal element of lease payments		(28,201,637)	(26,937,598)
Repayment of bank borrowings		(50,229,354)	-
Proceeds from bank borrowing		25,000,000	-
Net cash used in financing activities		(117,596,057)	(179,688,337)
Net decrease in cash and cash equivalents		(78,178,538)	(88,160,158)
Cash and cash equivalents at the beginning of the period		190,226,355	222,113,793
Cash and cash equivalents at the end of the period		112,047,817	133,953,635

The notes on pages 9 to 35 are an integral part of this condensed consolidated interim financial information. (7)

A D N H Catering plc

Condensed consolidated interim statement of cash flows (continued)

Non-cash transactions:

Non-cash transactions during the nine-month period then ended are as follows:

		Nine-month period ended 30 September	
	Note	2025 AED (Unaudited)	2024 AED (Unaudited and not reviewed)
Right-of-use assets	6	15,203,171	2,218,846
Lease liabilities	14	15,203,171	2,218,846
Acquisition of own shares		9,541,257	-

Refer to Note 19 and 20 for non-cash transactions relating to the acquisition of subsidiaries.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025

1 General information

A D N H Catering plc (the “Company” or “ADNHC” or “Parent”) is a public company limited by shares incorporated on 21 June 2024 under the laws of Abu Dhabi Global Market (“ADGM”), registered under the commercial license number 19524. The registered address of the Company is 2323L, 23rd Floor, Sky Towers, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates (“UAE”).

ADNHC was a wholly owned subsidiary of Abu Dhabi National Hotels Company PJSC (“Ultimate Parent Company”, or “ADNH PJSC” or “the Ultimate Controlling Company”), a public shareholding company listed on the Abu Dhabi Securities Exchange, which was incorporated in Abu Dhabi, UAE on 13 April 1975 by Law No. (3) as amended by Law No. (5) of 1978, to own and manage hotels and to undertake other related business.

On 23 October 2024, the Ultimate Controlling Company sold 40% of the shares of the Company on Abu Dhabi Securities Exchange (“ADX”).

This condensed consolidated interim financial information of the Company and its subsidiaries (collectively referred to as the “Group”) does not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with IFRS Accounting Standards. The comparative information presented in the condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine-month period ended 30 September 2024, has not been audited or reviewed and is presented for comparative purposes only. The Group’s first statutory consolidated financial statements were prepared for the fifteen-month period ended 31 December 2024 as the Group changed its financial year to 1 January to 31 December (from 1 October to 30 September). In addition, results for the nine-month period ended 30 September 2025 are not necessarily indicative of the results of the year ending 31 December 2025.

The average number of employees during the period ended 30 September 2025 was 18,162 (31 December 2024: 17,025).

The principal activity of the Company is to act as a holding company for the entities within the Group. The principal activities of the subsidiaries are to provide catering, cleaning and other services to hospitals, camps, onshore and offshore oilfields, defence/military, airports, shopping malls, universities and schools, palaces and other facilities.

Below is the list of subsidiaries of the Company:

Name of subsidiary	Area of domicile	Principal activities	Ownership interest	
			30 September 2025	31 December 2024
<u>Direct</u>				
ADNH Catering LLC OPC	UAE	Catering & contract services	100%	100%

ADNH Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

1 General information (continued)

Below is the list of subsidiaries of the ADNH Catering LLC OPC:

Name of subsidiaries	Area of domicile	Principal activities	Ownership interest	
			30 September 2025	31 December 2024
<u>Indirect</u>				
ADNH Catering LLC	UAE	Catering	100%	100%
ADNH Catering LLC SP	UAE	Catering	100%	100%
Food Nation Catering Services LLC	UAE	Catering	100%	-
Compass Arabia Limited Company	KSA	Catering	50%	30%

2 Application of new and revised IFRS Accounting Standards

2.1 New and revised IFRS Accounting Standards applied with no material effect on the condensed consolidated interim financial information

Except for the adoption of new and amended standards as set out below in Note 2.2, the accounting policies used in the preparation of this condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the fifteen-month period ended 31 December 2024.

Amendments to IAS 21 - Lack of Exchangeability (effective 1 January 2025) - An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Other than the above, there are no other material IFRS Accounting Standards and amendments that were effective for the first time for the financial period beginning on or after 1 January 2025. The application of these amendments to IFRS Accounting Standards has not had any material impact on the amounts reported for the current period but may affect the accounting for the Group's future transactions or arrangements

2.2 New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted

The Group has not early adopted new and revised IFRS Accounting Standards that have been issued but are not yet effective.

- (a) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments - effective for annual periods beginning on or after 1 January 2026.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

2 Application of new and revised IFRS Accounting Standards (continued)

2.2 New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted (continued)

- (b) Annual improvements to IFRS – Volume 11 - effective for annual periods beginning on or after 1 January 2026.
- (c) Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity - effective for annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required.
- (d) IFRS 18, ‘Presentation and Disclosure in Financial Statements’ - effective for annual periods beginning on or after 1 January 2027 with early adoption possible subject to local endorsement where required.
- (e) IFRS 19, ‘Subsidiaries without Public Accountability: Disclosures’ - effective for annual periods beginning on or after 1 January 2027.

The Group is currently assessing the impact of these standards, and amendments on the future condensed consolidated interim financial information of the Group and intends to adopt these, if applicable, when they become effective.

3 Material accounting policies

3.1 Basis of preparation

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) and also comply with the applicable requirements of the laws in the UAE.

The condensed consolidated interim financial information has been prepared in United Arab Emirates Dirham (“AED”), which is the functional and presentation currency of the Company/Group. The Company has utilised the exemption from ADGM in order to prepare their condensed consolidated interim financial information in AED instead of US Dollar.

The condensed consolidated interim financial information does not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the Group’s consolidated financial statements for the fifteen-month period ended 31 December 2024. However, selected explanatory notes as shown below are included to explain events and transactions that are significant to the understanding of the changes in the Group’s financial position and performance since the last consolidated financial statements.

The material accounting policies adopted in the preparation of the condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements for the fifteen-month period ended 31 December 2024, except for the business combination policy which is presented in this condensed consolidated interim financial information.

The condensed consolidated interim financial information has been prepared using the historical cost basis.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

3 Material accounting policies (continued)

3.1 Basis of preparation (continued)

Going concern

The Management has, at the time of approving the condensed consolidated interim financial information, made a reasonable expectation that the Group has adequate resources to continue the operational existence for the foreseeable future. Thus, management continues to adopt the going concern basis of accounting in preparing the condensed consolidated interim financial information.

3.2 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree (if any). For each business combination, the Group has a policy choice whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Management has elected to use the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

When the Group obtains control of a business that was previously accounted for as an associate or joint venture, the transaction is treated as a business combination achieved in stages in accordance with IFRS 3 - Business Combinations.

The Group remeasures its previously held equity interest to its fair value at acquisition date, with any resulting gain or loss recognized in profit or loss in accordance with IFRS 3;

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

3 Material accounting policies (continued)

3.2 Business combinations (continued)

The cost of acquisition is determined as the aggregate of (i) the fair value of the previously held interest, and (ii) the consideration transferred for the additional interest; the identifiable assets acquired and liabilities assumed are recognized at their acquisition-date fair values; any resulting goodwill/gain on bargain purchase is recognized as the excess/deficit of the total consideration and non-controlling interest over the fair value of identifiable net assets acquired; and subsequent to the acquisition, the subsidiary's results are fully consolidated from the date control is obtained.

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements for the fifteen-month period ended 31 December 2024 except as follows:

Business combinations

Accounting for the acquisition of a business requires the allocation of the purchase price to various assets and liabilities of the acquired business. For most assets and liabilities, the purchase price allocation is accomplished by recording the asset or liability at its estimated fair value. Determining the fair value of assets acquired and liabilities assumed requires judgment by management and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and the useful lives of assets.

The Group's management has used all available information to make these fair value determinations in the recent acquisition of the subsidiaries.

The Group primarily considers the following information and criteria when determining whether it has control over an entity:

- governance arrangements: voting rights and whether the Group is represented in the governing bodies, majority rules and veto rights etc;
- the nature of substantive or protective rights granted to shareholders, relating to the entity's relevant activities;
- rules for appointing key management personnel; and
- whether the Group is exposed, or has rights, to variable returns from its involvement with the entity etc.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

In relation to Food Nation Catering Services LLC, the Group has obtained rights through the signing of the Sale and Purchase Agreement (“SPA”) and has obtained sole rights to Food Nation Catering Services LLC. The Group can unilaterally direct the relevant activities of Food Nation as these decisions are decided by voting rights, and the Group has 100% voting rights as at 30 September 2025. The Group has the unilateral ability to hire and remove any key management who are responsible for the activities of the Food Nation, which provides evidence of operational control. The Group is directly and significantly exposed and has rights to variable returns from this subsidiary and is able to use its power over this subsidiary to affect these returns. Accordingly, the Group has concluded that it has control over Food Nation Catering Services LLC.

In relation to Compass Arabia Limited Company, the Group has obtained additional 20% ownership through signing the Sale and Purchase Agreement (“SPA”) resulting in increasing the previously held interest from 30% to 50% ownership. The Group can unilaterally approve the annual profit plan of Compass Arabia Limited Company and can appoint the General Manager of Compass Arabia Limited Company. This provides the Group the rights for operational leadership, strategic planning and policy setting. Accordingly, the Group has concluded that it has control over Compass Arabia Limited Company.

In relation to the business acquisition and step-up acquisition, please refer to (Note 19, 20).

The Group’s financial risk management objectives and policies are the same as the ones identified in the consolidated financial statements for the fifteen-month period ended 31 December 2024.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

5 Property and equipment

Movement of the property and equipment is as follows:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	16,702,679	14,958,362
Acquired through business combination (Notes 19, 20)	4,996,410	5,564,926
Additions during the period	13,834,247	14,954,410
Disposals during the period	(123,830)	(615,720)
Depreciation charge for the period	(13,793,261)	(18,159,299)
At 30 September/31 December	<u>21,616,245</u>	<u>16,702,679</u>

The depreciation charge for the nine-month period has been allocated in the condensed consolidated interim statement of profit or loss as follows:

	Nine-month period ended 30 September	
	2025 AED (Unaudited)	2024 AED (Unaudited and not reviewed)
Direct costs	12,829,049	9,878,957
General and administrative expenses	964,212	768,069
	<u>13,793,261</u>	<u>10,647,026</u>

6 Right-of-use assets

Group as a lessee

The Group has right-of-use assets for kitchens, accommodations and vehicles for staff and food transportation. Set out below are the carrying amounts of the right-of-use assets recognised and the movement during the period:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	60,595,550	86,656,545
Acquired through business combination (Notes 19, 20)	5,892,690	14,185,758
Additions during the period	15,301,968	8,819,459
Disposals during the period	-	(3,863,003)
Depreciation charge for the period	(28,595,086)	(45,203,209)
At 30 September/31 December	<u>53,195,122</u>	<u>60,595,550</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

6 Right-of-use assets (continued)

Group as a lessee (continued)

The depreciation charge has been allocated in the condensed consolidated interim statement of profit or loss as follows:

	Nine-month period ended 30 September	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited and not reviewed)
Direct costs	26,855,848	26,190,085
General and administrative expenses	1,739,238	1,495,689
	<u>28,595,086</u>	<u>27,685,774</u>

7 Intangible assets

	Software AED	Customer relationships AED	Goodwill AED	Trademark AED	Total AED
Cost					
At 1 October 2023 (Unaudited and not reviewed)	14,367,811	-	-	-	14,367,811
Acquisition through business combination	-	200,100,000	87,971,591	-	288,071,591
At 31 December 2024 (Audited)	14,367,811	200,100,000	87,971,591	-	302,439,402
Acquisition through business combination (Note 19, 20)	21,189	27,613,316	5,480,409	630,561	33,745,475
At 30 September 2025 (Unaudited)	14,389,000	227,713,316	93,452,000	630,561	336,184,877
Accumulated amortisation					
At 1 October 2023 (Unaudited and not reviewed)	14,082,277	-	-	-	14,082,277
Charge for the period	120,647	7,503,750	-	-	7,624,397
At 31 December 2024 (Audited)	14,202,924	7,503,750	-	-	21,706,674
Charge for the period	73,909	7,719,067	-	64,092	7,857,068
At 30 September 2025 (Unaudited)	14,276,833	15,222,817	-	64,092	29,563,742
Net carrying amount					
At 31 December 2024 (Audited)	164,887	192,596,250	87,971,591	-	280,732,728
At 30 September 2025 (Unaudited)	112,167	212,490,499	93,452,000	566,469	306,621,135

The Group performs, on an annual basis, impairment test of the intangible assets that have indefinite life (goodwill). During the fifteen-month period ended 31 December 2024, the Group performed the annual impairment test of the goodwill and identified no impairment.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

7 Intangible assets (continued)

The amortisation charge has been allocated in the condensed consolidated interim statement of profit or loss as follows:

	Nine-month period ended 30 September	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited and not reviewed)
Direct costs	36,250	36,250
General and administrative expenses	7,820,818	5,038,638
	<u>7,857,068</u>	<u>5,074,888</u>

8 Investment in a joint venture

During 30 June 2024, the Ultimate Parent Company transferred its 30% equity interest in Compass Arabia Limited Company, having a carrying amount of AED 9,717,881 and accounted for as an equity-accounted joint venture, to the Group in exchange for a purchase consideration of AED 9,785 (SAR 10,000), with a transaction close date of 30 June 2024. The excess of carrying amount of the investment acquired over the purchase consideration has been recorded as "Additional contributed capital" within equity in the condensed consolidated interim statement of financial position.

During the period ended 31 December 2024, the Group signed a Share Purchase Agreement ("SPA") to purchase additional 20% shares in Compass Arabia Limited Company increasing the total ownership in Compass Arabia Limited Company to 50% with management control. During the period ended 30 September 2025, the Group received approvals from the authorities in Saudi Arabia for the acquisition of 20% shares which satisfied the completion of the acquisition resulting in Compass Arabia Limited Company becoming a subsidiary of the Group as of 31 August 2025. The total consideration paid for this transaction is AED 4,091,042 (SAR 4,177,375).

Accordingly, the Group has consolidated the financial position and financial performance of Compass Arabia Limited Company effective 31 August 2025 in this condensed consolidated financial information. Details are disclosed in Note 20.

The movement in investment in a joint venture is as follows:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	10,910,760	-
Acquired during the period	-	9,717,881
Share of profit for the period	995,726	1,192,879
Gain on previously held equity interest before reclassification to a subsidiary	13,168,738	-
Reclassified as a subsidiary (Note 20)	(25,075,224)	-
At 30 September/31 December	<u>-</u>	<u>10,910,760</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

9 Trade and other receivables

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Trade receivables	609,033,189	596,034,174
Less: provision for impairment of financial assets	(47,339,975)	(23,463,277)
	<u>561,693,214</u>	<u>572,570,897</u>
Contract assets	146,318,353	35,872,382
Prepayments	19,787,393	10,620,968
Other receivables	<u>32,161,169</u>	<u>41,052,205</u>
	<u><u>759,960,129</u></u>	<u><u>660,116,452</u></u>

10 Related party transactions and balances

Related parties comprise the major shareholders of the Group, the directors and those enterprises over which the major shareholders, the directors or the Group can exercise control or significant influence or which can significantly influence the Group. In the ordinary course of business, the Group receives goods and services from, and provides goods and services to, such enterprises on rates, terms and conditions agreed between the parties.

The related party transactions and outstanding balances for the period are as follows:

	<i>Type of transactions</i>	Nine-month period ended 30 September	
		2025 AED (Unaudited)	2024 AED (Unaudited and not reviewed)
<i><u>Entities controlled by Ultimate Parent Company</u></i>			
Al Ghazal Transportation Company- Al Ghazal Express – Owned by Abu Dhabi National Hotels Company PJSC	Purchases & Sales	<u>24,790,470</u>	<u>27,079,454</u>
	Purchases &		
The Ritz-Carlton Abu Dhabi, Grand Canal	Sales	<u>1,823,288</u>	<u>3,093,009</u>
Sunshine Travel & Tours	Purchases	<u>2,802,545</u>	<u>1,912,054</u>
Kempinski Central Avenue	Sales	<u>1,650,282</u>	<u>1,646,088</u>
Kempinski The Boulevard	Sales	<u>1,613,410</u>	<u>1,605,610</u>
Park Hyatt Abu Dhabi Hotels and Villas	Sales	<u>1,002,356</u>	<u>1,782,541</u>
	Purchases &		
Compass Arabia Limited Company	Sales	<u>-</u>	<u>191,590</u>
	Purchases &		
Others	Sales	<u>5,991,078</u>	<u>6,754,629</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

10 Related party transactions and balances (continued)

	<i>Type of transactions</i>	Nine-month period ended 30 September	
		2025	2024
		AED	AED
		(Unaudited)	(Unaudited and not reviewed)
<i>Ultimate Parent Company</i>			
Abu Dhabi National Hotels Company PJSC	Purchases & Sales	2,512,647	7,189,923

Key management personnel compensation

Salaries and allowances	6,652,969	7,799,727
Post-employment benefits	359,579	505,989
	<u>7,012,548</u>	<u>8,305,716</u>
Number of key management personnel	<u>9</u>	<u>10</u>

	30 September 2025	31 December 2024
	AED	AED
	(Unaudited)	(Audited)
Due from related parties:		
<i>Ultimate Parent Company</i>		
Abu Dhabi National Hotels Company PJSC	93,706	545,893

Other related parties

Compass Arabia Limited Company	-	4,947,489
Al Rushaid Construction	27,772,041	-
JAC RIJK Al Rushaid Construction	3,052,446	-
Saipem Taqa al Rushaid Fabrication	1,345,958	-
Abdullah Rasheed Al Rushaid Real Estate Co.	505,173	-
Dubai Marina Hotel LLC	313,540	731,999
Kempinski The Boulevard Hotel	361,011	528,164
Kempinski Central Avenue Hotel	351,232	858,017
The Ritz-Carlton Abu Dhabi, Grand Canal	262,775	401,107
VDD Hotel	341,350	417,620
Al Ghazal Transportation Company- Al Ghazal Express		
– Owned by Abu Dhabi National Hotels Company PJSC	423,347	469,498
MDD Hotel LLC	88,168	404,662
Park Hyatt Abu Dhabi Hotels and Villas	55,479	473,788
Sofitel Hotel Dubai	89,516	411,524
Others	299,835	789,727
	<u>35,355,577</u>	<u>10,979,488</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

10 Related party transactions and balances (continued)

Due to related parties:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Al Ghazal Transportation Company- Al Ghazal Express – Owned by Abu Dhabi National Hotels Company PJSC	10,817,900	15,777,187
Al Rushaid Petroleum Investment Company	4,895,000	-
Sunshine Travel & Tours	1,094,900	842,830
World Tourism and Travel	421,246	-
Others	319,962	44,818
	<u>17,549,008</u>	<u>16,664,835</u>
<i>Ultimate Parent Company</i>		
Abu Dhabi National Hotels Company PJSC	<u>4,966,030</u>	<u>5,003,528</u>
	<u>22,515,038</u>	<u>21,668,363</u>

11 Cash and cash equivalents

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Cash in hand	361,432	224,152
Cash at bank	111,686,385	150,002,203
Short term deposits	-	40,000,000
	<u>112,047,817</u>	<u>190,226,355</u>

Short-term deposits represented deposits with original maturities of less than three month with local banks. The short-term deposits carried average interest rates of 4% per annum (31 December 2024: 5% per annum). Finance income recorded during the period amounted to AED 1,035,738 (30 September 2024: AED 2,679,218).

12 Share capital

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
<i>Authorised, issued and fully paid</i>		
2,250,000,000 ordinary shares of AED 0.1 each	<u>225,000,000</u>	<u>225,000,000</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

12 Share capital (continued)

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	225,000,000	-
Issuance of share capital	-	3,673
Increase in share capital	-	224,996,327
At 30 September/31 December	<u>225,000,000</u>	<u>225,000,000</u>

On 21 June 2024, the Company was incorporated with a share capital of USD 1,000 (AED 3,673) with par value of USD 1 (AED 3.673) for 1,000 shares. During 2024, additional shares of 61,265,168 of par value USD 1 (AED 3.673) were issued, increasing the share capital to USD 61,266,168 (AED 225,000,000). Furthermore, a resolution was issued for the outstanding 61,266,168 shares to be split into 2,250,000,000 shares with par value of USD 0.027 (AED 0.1). The share capital of the Company was increased utilising the “Additional contributed capital” for the purpose of the listing of shares.

Statutory reserve

Statutory reserve of AED 10 million represents reserve of a subsidiary.

Additional contributed capital:

The movement of additional contributed capital during the period as follows:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	142,354,198	20,000,000
Business combination of entities under common control	-	276,088,627
Acquisition of a joint venture from the Ultimate Parent Company	-	9,708,096
Increase in share capital	-	(224,996,327)
Additional contribution	-	61,553,802
At 30 September/31 December	<u>142,354,198</u>	<u>142,354,198</u>

Dividends:

On 11 February 2025, the Board of Directors proposed a cash dividend of AED 0.027 per share amounting to AED 60 million. On 7 April 2025, during the Annual General Meeting, the shareholders of A D N H Catering plc approved this cash dividend which was paid on 7 May 2025.

The Board of Directors has proposed a cash dividend of AED 0.04 per share, amounting to AED 90 million for the results of first six-month period ended 30 June 2025. This proposal was approved by Shareholders of A D N H Catering plc in General meeting on 20 October 2025, to be paid during November 2025.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

13 Own shares

The Group has engaged a third-party licensed Market Maker on the Abu Dhabi Securities Exchange that offers liquidity provision services, to place buy and sell orders of the Company's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility. The shares are purchased for the Group's account by the Market Maker.

The Market Maker trades and operates within the predetermined parameters approved by the Group. The Group monitors the transactions undertaken by the Market Maker on a daily basis. The Group has provided the funding to the Market Maker to trade the Group's shares and it carries all risks and rewards associated with the arrangement. Given the nature and substance of the arrangement, the shares have been classified as "Own Shares" in Equity.

The Group has paid an amount of AED 50 million to fund the purchase of the shares. At 30 September 2025, the Market Maker held 33.4 million shares of the Company on behalf of the Group at AED 30.2 million, which is classified under equity as at 30 September 2025, the remaining amount is presented in other receivables (Note 9).

14 Lease liabilities

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	56,466,944	77,971,210
Acquired through business combination (Note 19, 20)	5,739,759	14,182,505
Additions during the period	15,301,968	8,819,459
Derecognition of lease liabilities	-	(3,863,003)
Accretion of interest (Note 18)	2,796,526	2,952,046
Payments	(30,998,163)	(43,595,273)
At 30 September/31 December	<u>49,307,034</u>	<u>56,466,944</u>

Lease liabilities are classified in the condensed consolidated interim statement of financial position as follows:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Non-current	23,400,571	24,481,384
Current	<u>25,906,463</u>	<u>31,985,560</u>
	<u>49,307,034</u>	<u>56,466,944</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

15 Trade and other payables

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Trade payables	221,774,967	199,089,456
Accrued expenses	130,556,394	153,087,312
Other payables	74,131,451	66,440,653
	<u>426,462,812</u>	<u>418,617,421</u>

The average credit period on purchases of goods is 60 - 90 days. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

16 Bank borrowings

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
<i>Borrowings with commercial banks:</i>		
Due in less than one year – current liabilities	<u>25,255,232</u>	<u>50,484,586</u>

On 24 July 2024, the Group secured a revolving loan facility of AED 250 million from a local bank for general corporate purposes. The facility carries an interest rate of 1.2% plus the prevailing 3-month EIBOR. The facility was backed by an irrevocable corporate guarantee issued by Abu Dhabi National Hotels Company PJSC. As of 30 September 2025, the Group utilized a balance of AED 25 million.

The movement of bank borrowing during the period as follows:

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January 2025/1 October 2023	50,484,586	-
Drawdown	25,000,000	50,000,000
Interest expense during the period (Note 18)	1,365,030	484,586
Payments made during the period	<u>(51,594,384)</u>	<u>-</u>
At 30 September /31 December	<u>25,255,232</u>	<u>50,484,586</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

16 Bank borrowings (continued)

Compliance with covenants

The Group has complied with the financial covenants of its borrowings during the period. Under the terms of the borrowing agreements, the Group is required to comply with the following financial covenants, which are assessed on a semi-annual basis:

- To maintain tangible net worth of not less than AED 200,000,000.
- To maintain a net debt to earnings before interest, tax, depreciation and amortization ratio of maximum 2.5x.
- To maintain a maximum leverage ratio (debt to equity) of 1.5x.

17 Revenues from contracts with customers

	Nine-month period ended 30 September	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited and not reviewed)
Catering services	717,767,348	654,825,078
Manpower services	371,770,991	301,504,690
Fixed fee services	64,477,519	76,000,693
Food and beverage	71,076,913	70,714,061
Non-food supplies	14,489,509	11,188,664
Laundry	9,453,000	7,857,150
Shop sales	11,964,053	2,848,894
Other revenues	3,621,155	8,709,295
	<u>1,264,620,488</u>	<u>1,133,648,525</u>

Timing of revenue recognition

At a point in time	828,371,978	756,143,142
Over time	436,248,510	377,505,383
	<u>1,264,620,488</u>	<u>1,133,648,525</u>

Geographical split of revenue

United Arab Emirates	1,251,511,215	1,133,648,525
Kingdom of Saudi Arabia	13,109,273	-
	<u>1,264,620,488</u>	<u>1,133,648,525</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

18 Finance costs – net

	Nine-month period ended 30 September	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited and not reviewed)
<i>Finance income:</i>		
Finance income (Note 11)	1,035,738	2,679,218
<i>Finance costs:</i>		
Finance cost on lease liabilities (Note 14)	(2,796,526)	(1,743,815)
Bank interest and charges	(1,365,030)	(1,125,000)
Others	(3,510)	-
	(4,165,066)	(2,868,815)
Finance costs, net	(3,129,328)	(189,597)

19 Acquisition of Food Nation Catering Services LLC

During March 2025, the Group acquired control over Food Nation Catering Services LLC through a 100% acquisition of the shareholding, making the entity a wholly owned subsidiary of the Group.

The acquired company is specialised in providing high-quality catering services, particularly within the education sector. The acquisition of Food Nation Catering Services LLC is expected to increase the Group's market share in this sector.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value. The excess of the fair value of the consideration transferred over the fair value of the net assets acquired has been recorded as "goodwill" in the condensed consolidated interim statement of financial position.

The acquisition accounting was performed on a provisional basis and will be completed within a year as permitted under IFRS 3 after finalising the valuation of the acquired assets and liabilities. The provisional amounts will be adjusted to reflect any new information that would be obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised as at that date.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

19 Acquisition of Food Nation Catering Services LLC (continued)

The following table summarises the recognised amount of assets and liabilities acquired at the acquisition date:

	31 March 2025 AED (Unaudited)
Assets	
Property and equipment (Note 5)	841,898
Right of use assets (Note 6)	1,286,846
Intangible assets	1,219,561
Trade and other receivables	1,993,630
Inventories	149,804
Cash and cash equivalents	3,493,456
	<u>8,985,195</u>
Liabilities	
Lease liabilities (Note 14)	1,238,540
Current tax liabilities	63,710
Trade and other payables	7,630,988
Deferred tax liabilities	108,990
	<u>9,042,228</u>
Fair value of purchase consideration	
- Initial consideration paid in cash	4,255,440
- Consideration payable	1,167,936
	<u>5,423,376</u>
Less: fair value of net identifiable liabilities acquired	57,033
Goodwill recognised	<u>5,480,409</u>

The intangible assets acquired as part of the business combination are detailed below:

	31 March 2025 AED (Unaudited)
Customer relationships	589,000
Trademark	630,561
Goodwill	5,480,409
	<u>6,699,970</u>

The goodwill is mainly attributable to the assembled workforce of the acquired business. It will not be deductible for tax purposes.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

19 Acquisition of Food Nation Catering Services LLC (continued)

The fair value of acquired trade receivables is AED 1,895,948. The gross contractual amount for trade receivables due is AED 2,061,555, with a loss allowance of AED 165,608 recognised on acquisition.

If the acquisition had occurred on 1 January 2025, consolidated pro-forma revenue and profit for the period ended 30 September 2025 would have been AED 1,274,541,385 and AED 123,468,922, respectively. These amounts have been calculated using the subsidiary's results and adjusting them for differences in the accounting policies between the Group and the subsidiary (if any).

No material transaction costs were incurred on the acquisition.

Cash outflow on acquisition:

	31 March 2025 AED (Unaudited)
Cash consideration paid	4,255,440
Less: cash acquired with the subsidiary	<u>(3,493,456)</u>
Net outflow of cash – investing activities	<u>761,984</u>

Besides, cash and cash equivalents of AED 3,493,456, all other line items of assets and liabilities are non-cash transactions for the purpose of condensed consolidated interim statement of cash flows.

20 Acquisition of Compass Arabia Limited Company

On 21 August 2025, the Group acquired control over Compass Arabia Limited Company ("Compass") through a purchase of an additional 20% stake, making the Company a 50% owned subsidiary of the Group. Management has determined its control, due to its ability to appoint the general manager of the acquiree who is responsible for the overall management of the acquiree.

Management has elected to account for the acquisition as at 31 August 2025, as events between these two dates are considered to have no material effect on the amounts below.

The acquired company is specialized in world-class catering services. The acquisition of Compass is expected to increase the Groups market share in this sector.

Management has prepared a purchase price allocation to determine the fair value of the identifiable assets and liabilities of the acquiree. As a result of this purchase price allocation, management has identified customer relationships which have been recognized as an intangible asset and will be amortized over their estimated useful life of 13 years.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

20 Acquisition of Compass Arabia Limited Company (continued)

The acquisition accounting was performed on a provisional basis and will be completed within a year as permitted under IFRS 3 after finalising the valuation of the acquired assets and liabilities. The provisional amounts will be adjusted to reflect any new information that would be obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised as at that date.

Management has elected to recognise the non-controlling interests at their proportionate share of the acquired net identifiable assets.

Bargain Purchase

The fair value of net assets exceeded the purchase consideration, resulting in a bargain purchase gain of approximately AED 4,290,150 on the acquisition date, recognized in the condensed consolidated interim statement of profit or loss within other income.

The fair value of the pre-existing interest in Compass on the date of acquisition of control is AED 25,075,224.

Revenue and profit contribution

If the acquisition had occurred on 1 January 2025, consolidated pro-forma revenue and profit for the period ended 30 September 2025 would have been AED 1,365,160,508 and AED 127,198,719 respectively. These amounts have been calculated using the subsidiary's results and adjusting them for differences in the accounting policies between the group and the subsidiary (if any).

Purchase consideration

	31 August 2025 AED (Unaudited)
Cash paid	4,089,650
Fair value of previously held interest	25,075,224
	<u>29,164,874</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

20 Acquisition of Compass Arabia Limited Company (continued)

The following table summarises the recognised amount of assets and liabilities acquired at the acquisition date:

	31 August 2025 AED (Unaudited)
Assets	
Intangible assets	27,045,505
Property and equipment (Note 5)	4,154,512
Right of use assets (Note 6)	4,605,844
Trade and other receivables	61,521,337
Due from related parties	34,168,294
Inventories	4,198,723
Cash and cash equivalents	2,713,811
	<u>138,408,026</u>
Liabilities	
Lease liabilities (Note 14)	4,501,219
Current tax liabilities	693,093
Trade and other payables	50,104,004
Provision for end-of-service benefits	4,393,244
Due to related parties	11,806,565
	<u>71,498,125</u>
Fair value of net identifiable assets	<u>66,909,901</u>

	31 August 2025 AED (Unaudited)
Bargain purchase was calculated as follows:	
Total consideration	29,164,874
Add: Non-controlling interest at proportionate share of net-identifiable assets	33,454,877
Less: Fair value of net identifiable assets at acquisition date	<u>(66,909,901)</u>
Bargain purchase at acquisition date	<u>(4,290,150)</u>

The intangible assets acquired as part of the business combination are detailed below:

	31 August 2025 AED (Unaudited)
Customer relationships	<u>27,024,316</u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

20 Acquisition of Compass Arabia Limited Company (continued)

Cash outflow on acquisition:

	31 March 2025 AED (Unaudited)
Cash consideration paid	4,089,650
Less: cash acquired with the subsidiary	<u>(2,713,811)</u>
Net outflow of cash – investing activities	<u>1,375,839</u>

Besides, cash and cash equivalents of AED 2,713,811, all other line items of assets and liabilities are non-cash transactions for the purpose of condensed consolidated interim statement of cash flows.

21 Income taxes

Current tax liabilities recorded in the condensed consolidated interim statement of financial position is as follows:

	2025 AED (Unaudited)	2024 AED (Audited)
As at 1 January/1 October	19,336,137	-
Acquired through business acquisition	756,802	607,795
Income tax expenses	12,815,164	18,728,342
Payments during the period	<u>(19,927,828)</u>	<u>-</u>
As at 30 September/31 December	<u>12,980,275</u>	<u>19,336,137</u>

Income tax expense recorded in the condensed consolidated interim statement of profit or loss comprises the following:

	30 September 2025 AED (Unaudited)	30 September 2024 AED (Unaudited and not reviewed)
Current tax	<u>12,815,164</u>	<u>11,120,264</u>
Deferred tax		
Decrease in deferred tax liabilities	<u>(683,484)</u>	<u>(450,225)</u>
	<u>12,131,680</u>	<u>10,670,039</u>

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Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

21 Income taxes (continued)

Reconciliation of tax expense and the accounting profit multiplied by the Group's domestic tax rate for 2025:

	Nine-month period ended 30 September	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited and not reviewed)
Profit before income tax	136,009,446	118,198,036
Tax using the Group's tax rate of 9%	12,240,850	10,637,823
<i>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</i>		
Donations, grants, gifts to non-Qualifying Public Benefit Entities disallowed	-	90,829
Share of net profit of investments accounted for using the equity method	(89,615)	(58,613)
Gain on previously held equity interest	(1,185,186)	-
Miscellaneous	1,165,631	-
	<u>12,131,680</u>	<u>10,670,039</u>

For determining the tax expense for the period, the accounting profit has been considered for tax purposes. The average effective tax rate is approximately 8.9% (2024: 9%).

The movement for the deferred tax liabilities during the period as follows:

	Intangible assets AED	Right-of-use assets AED	Lease liabilities AED	Total AED
At 1 October 2023 (Unaudited)	-	-	-	-
Acquired through business combination	18,008,999	(15,250)	4,978	17,998,727
(Charge)/credit during the period	(675,209)	381	(124)	(674,952)
At 31 December 2024 (Audited)	17,333,790	(14,869)	4,854	17,323,775
Acquired through business combination (Note 19)	108,990	-	-	108,990
(Charge)/credit during the period	(683,869)	572	(187)	(683,484)
At 30 September 2025 (Unaudited)	<u>16,758,911</u>	<u>(14,297)</u>	<u>4,667</u>	<u>16,749,281</u>

22 Basic and diluted earnings per share

Basic Earnings Per Share (EPS) is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the period.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

22 Basic and diluted earnings per share (continued)

Diluted EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As at 30 September 2025 and 31 December 2024 there were no shares which were dilutive in nature.

The following table reflects the profit for the period and share data used in the basic and diluted EPS calculations:

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 AED	2024 AED	2025 AED	2024 AED
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited and not reviewed)
Earnings attributable to equity holders of the Parent (AED)	49,969,021	38,214,497	123,644,496	107,527,997
Weighted average number of shares in issue (excluding own shares)	2,216,558,570	2,250,000,000	2,216,558,570	2,250,000,000
Basic and diluted earnings per share (AED)	0.0225	0.0170	0.0558	0.0478

23 Non-controlling interests

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	-	-
Increase in non-controlling interest	33,454,877	-
Share of total comprehensive income for the year	233,270	-
At 31 December	33,688,147	-

On 31 August 2025, the Group acquired an additional 20% equity stake in Compass Arabia Limited Company, thereby increasing its total ownership to 50%. As a result, the Group obtained control over the entity in accordance with IFRS 10, leading to the recognition of a 50% non-controlling interest.

24 Segment information

The Group's operating segments are determined based on its internal reporting to the Chief Operating Decision Maker (the "CODM"). The CODM has been determined to be the Chief Executive Officer ("CEO"), as all final decisions are made by the CEO in consultation with the executive committee and the function is primarily responsible for the allocation of resources to segments and assessment of performance of segments.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

24 Segment information (continued)

The primary segment reporting format is determined to be operating segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. The operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic operating unit that offers different products and serves different markets.

Operating segments

For management purposes, the Group is currently organised into two major operating segments. These segments are the basis on which the Group reports its primary segmental information. These are:

- Catering services
- Support services

The segments are concentrated into two elements which are providing the food & beverage services to the customers under catering services and the other is to provide various support services which includes manpower services, laundry services and other services.

This presentation reflects how the Group's operating performance is reviewed internally by management. Catering services and support services segments' performance is measured based on profit or loss.

Segment profit represents the profit or loss earned by each segment after considering general and administrative expenses, other income, finance income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

24 Segment information (continued)

Operating segments (continued)

Nine-month period ended 30 September 2025 (Unaudited)	Catering services AED	Support services AED	Total AED
Revenue from customers			
- Over a period of time	31,550,955	404,697,555	436,248,510
- At a point in time	<u>760,078,670</u>	<u>68,293,308</u>	<u>828,371,978</u>
Total revenues	791,629,625	472,990,863	1,264,620,488
Direct costs	<u>(617,081,434)</u>	<u>(430,563,462)</u>	<u>(1,047,644,896)</u>
Gross profit	174,548,191	42,427,401	216,975,592
General and administrative expenses	(57,878,488)	(14,599,809)	(72,478,297)
Provision for impairment of financial assets	(23,799,372)	(77,325)	(23,876,697)
Share of profit of investment accounted for using the equity method	995,726	-	995,726
Gain on previously held equity interest in joint venture	13,168,738	-	13,168,738
Other income, net	4,360,663	(6,951)	4,353,712
Finance income	807,909	227,829	1,035,738
Finance costs	<u>(3,426,491)</u>	<u>(738,575)</u>	<u>(4,165,066)</u>
Profit before income tax	<u>108,776,876</u>	<u>27,232,570</u>	<u>136,009,446</u>
Income tax expense			<u>(12,131,680)</u>
Profit for the period			<u><u>123,877,766</u></u>

A D N H Catering plc

Notes to the condensed consolidated interim financial information for the nine-month period ended 30 September 2025 (continued)

24 Segment information (continued)

Operating segments (continued)

Nine-month period ended 30 September 2024 (Unaudited and not reviewed)	Catering services AED	Support services AED	Total AED
Revenue from customers			
- Over a period of time	16,849,783	360,655,600	377,505,383
- At a point in time	682,144,110	73,999,032	756,143,142
Total revenues	698,993,893	434,654,632	1,133,648,525
Direct costs	(562,091,261)	(396,294,571)	(958,385,832)
Gross profit	136,902,632	38,360,061	175,262,693
General and administrative expenses	(43,533,925)	(14,272,995)	(57,806,920)
Share of profit of investment accounted for using the equity method	651,257	-	651,257
Other income	217,067	63,536	280,603
Finance income	2,072,646	606,572	2,679,218
Finance costs	(2,156,435)	(712,380)	(2,868,815)
Profit before income tax	94,153,242	24,044,794	118,198,036
Income tax expense			(10,670,039)
Profit for the period			107,527,997

Revenue of approximately AED 209,619,732 (30 September 2024: AED 212,294,295) is derived from one customer. This revenue is attributed to catering services only.

25 Contingent liabilities

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Bank guarantees	194,391,238	201,265,047
Within one year	4,492,692	22,377,955
Between one and two years	4,271,887	1,719,578
Above two years	185,626,659	177,167,514
	194,391,238	201,265,047

The above bank guarantees were issued in the normal course of business.

Commitments

The estimated commitments contracted at 30 September 2025 amounted to AED 30.5 million (31 December 2024: AED 42.3 million).