

## **Foodco National Foodstuff PJSC**

**Directors' report, review report and condensed consolidated interim financial information for the six-month period ended 30 June 2025 (unaudited)**

**Directors' report, review report and condensed consolidated interim financial information for six-month period ended 30 June 2025 (unaudited)**

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# Foodco National Foodstuff PJSC

## Directors' Report

for the six-month period ended 30 June 2025

The Directors have pleasure in submitting their report and the condensed consolidated interim financial information for the six-month period ended 30 June 2025.

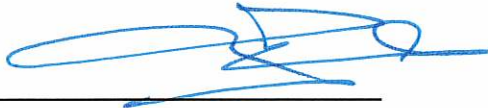
### Principal activities

The principal activities of the Company and its subsidiaries (together, the "Group") are primarily engaged in the import and distribution of foodstuff and household items, catering services, facility management services and restaurants management in the United Arab Emirates.

### Financial results

The results of the Group for the period ended are set out on page 5 of the condensed consolidated interim financial information.

For and on behalf of Directors



Chairman of the Board





# Review report on condensed consolidated interim financial information to the Board of Directors of Foodco National Foodstuff PJSC

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## Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Foodco National Foodstuff PJSC (the 'Company') and its subsidiaries (the 'Group') as at 30 June 2025 and the related condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-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.

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## 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.

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## 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 – Abu Dhabi

.14 August 2025.....

Rami Sarhan  
Registered Auditor Number 1152  
Abu Dhabi, United Arab Emirates

# Foodco National Foodstuff PJSC

## Condensed consolidated interim statement of financial position

		As at	
		30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	6	96,691,336	92,188,446
Intangible assets		88,474	115,456
Right-of-use assets		5,967,309	6,002,731
Goodwill	7	85,044,135	85,044,135
Investments held at fair value through other comprehensive income		2,921,823	3,301,281
		<u>190,713,077</u>	<u>186,652,049</u>
<b>Current assets</b>			
Inventories	8	16,360,423	7,211,942
Trade receivables	9	9,199,254	10,167,242
Other current assets	10	3,697,771	1,909,253
Due from related parties	14.1	105,807,427	127,660,614
Cash and cash equivalents	11	8,496,965	9,262,175
		<u>143,561,840</u>	<u>156,211,226</u>
<b>TOTAL ASSETS</b>		<u><u>334,274,917</u></u>	<u><u>342,863,275</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		280,000,000	280,000,000
Legal reserve		2,802,579	2,802,579
Merger reserve		(26,331,785)	(26,331,785)
Investment revaluation reserve		(645,459)	(266,001)
Accumulated losses		(52,369,704)	(45,341,561)
<b>Total equity</b>		<u>203,455,631</u>	<u>210,863,232</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Bank borrowings	13	43,884,634	46,078,876
Provision for employees' end of service benefits		1,804,342	1,682,296
Lease liabilities		5,857,754	5,866,216
		<u>51,546,730</u>	<u>53,627,388</u>

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The notes on page 8 to 24 are an integral part of this condensed consolidated interim financial information. (3)

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# Foodco National Foodstuff PJSC


## Condensed consolidated interim statement of financial position (continued)

		As at	
		30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
	Note		
<b>Current liabilities</b>			
Bank borrowings	13	9,288,500	6,642,567
Trade and other payables	12	7,441,085	12,344,449
Due to related parties	14.2	61,844,719	58,702,138
Lease liabilities		698,252	683,501
		<u>79,272,556</u>	<u>78,372,655</u>
<b>Total liabilities</b>		<u>130,819,286</u>	<u>132,000,043</u>
<b>Total equity and liabilities</b>		<u>334,274,917</u>	<u>342,863,275</u>

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

This condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors on ...14 August 2025... and was signed on its behalf by:

  
 Mohamed Ali Al Hosani  
 Chairman

  
 Kannan Purayamkumarath  
 Finance Manager





## Foodco National Foodstuff PJSC

### Condensed consolidated interim statement of profit or loss and other comprehensive income

	Note	Six-month period ended 30 June	
		2025 AED (Unaudited)	2024 AED (Unaudited) (Restated)
Revenue from contracts with customers	15	31,373,408	33,971,672
Cost of sales		<u>(29,923,894)</u>	<u>(26,154,932)</u>
<b>Gross profit</b>		1,449,514	7,816,740
General and administrative expenses		(4,523,680)	(4,614,118)
Selling and distribution expenses		(3,814,816)	(3,673,451)
Expected credit loss on trade receivables	9	(74,196)	-
Other income		<u>207,895</u>	<u>130,351</u>
<b>Operating loss</b>		(6,755,283)	(340,478)
Finance cost		<u>(272,860)</u>	<u>(272,163)</u>
<b>Loss before income tax</b>		(7,028,143)	(612,641)
Income tax		-	-
<b>Loss for the period</b>		<u><u>(7,028,143)</u></u>	<u><u>(612,641)</u></u>
<b>Other comprehensive income for the period</b>			
<i>Items that may be reclassified to profit or loss</i>			
Changes in the fair value of investments held at fair value through other comprehensive income		<u>(379,458)</u>	<u>(512,268)</u>
<b>Total comprehensive loss for the period</b>		<u><u>(7,407,601)</u></u>	<u><u>(1,124,909)</u></u>
<b>Basic and diluted loss per share</b>	17	<u><u>(0.025)</u></u>	<u><u>(0.002)</u></u>

## Foodco National Foodstuff PJSC

### Condensed consolidated interim statement of changes in equity

	Share capital AED	Legal reserve AED	Merger reserve AED	Investment revaluation reserve AED	Accumulated losses AED	Total equity AED
<b>At 1 January 2024 (Audited)</b>	280,000,000	2,802,579	(26,331,785)	(190,109)	(37,529,545)	218,751,140
Loss for the period	-	-	-	-	(612,641)	(612,641)
Other comprehensive loss for the period	-	-	-	(512,268)	-	(512,268)
Total comprehensive loss for the period	-	-	-	(512,268)	(612,641)	(1,124,909)
<b>At 30 June 2024 (Unaudited)</b>	<u>280,000,000</u>	<u>2,802,579</u>	<u>(26,331,785)</u>	<u>(702,377)</u>	<u>(38,142,186)</u>	<u>217,626,231</u>
<b>At 1 January 2025 (Audited)</b>	280,000,000	2,802,579	(26,331,785)	(266,001)	(45,341,561)	210,863,232
Loss for the period	-	-	-	-	(7,028,143)	(7,028,143)
Other comprehensive loss for the period	-	-	-	(379,458)	-	(379,458)
Total comprehensive loss for the period	-	-	-	(379,458)	(7,028,143)	(7,407,601)
<b>At 30 June 2025 (Unaudited)</b>	<u>280,000,000</u>	<u>2,802,579</u>	<u>(26,331,785)</u>	<u>(645,459)</u>	<u>(52,369,704)</u>	<u>203,455,631</u>

The notes on page 8 to 24 are an integral part of this condensed consolidated interim financial information.



# Foodco National Foodstuff PJSC

## Condensed consolidated interim statement of cash flows

		Six-month period ended 30 June	
	Note	2025 AED (Unaudited)	2024 AED (Unaudited)
<b>Cash flows from operating activities</b>			
Loss before income tax for the period		(7,028,143)	(612,641)
<b>Adjustments for:</b>			
Depreciation of property and equipment	6	1,161,397	1,205,944
Amortisation of intangible assets		26,982	27,058
Depreciation of right of use assets		209,879	205,822
Provision for slow moving inventories	8	47,387	-
Expected credit loss on trade receivables	9	74,196	-
Provision for employees' end of service benefits		175,205	168,058
Gain on disposal of property and equipment		(558)	(95,238)
Gain on disposal right of use assets		(11,572)	-
Dividend income		(189,729)	(189,729)
Finance costs		272,860	272,163
<b>Net cash flows (used in)/generated from operating activities before payment of employees' end of service benefits and changes in working capital</b>		(5,262,096)	981,437
Payment of employees' end of service benefits		(53,159)	(245,774)
<b>Changes in working capital:</b>			
Inventories		(9,195,868)	(6,997,286)
Trade receivables		893,792	(845,303)
Other current assets		(1,788,518)	(1,111,082)
Due from related parties		21,853,187	24,448,428
Due to related parties		3,142,581	2,019,603
Trade and other payables		(4,903,364)	303,436
<b>Net cash flows generated from operating activities</b>		4,686,555	18,553,459
<b>Cash flows from investing activities</b>			
Payment for purchases of property and equipment	6	(5,667,428)	(19,052,298)
Proceeds from disposal of property and equipment		3,699	95,238
Dividend received		189,729	-
<b>Net cash used in investing activities</b>		(5,474,000)	(18,957,060)

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# Foodco National Foodstuff PJSC

## Condensed consolidated interim statement of cash flows (continued)

	Note	Six-month period ended 30 June	
		2025 AED (Unaudited)	2024 AED (Unaudited) (Restated)
<b>Cash flows from financing activities</b>			
Proceeds from bank borrowings	13	-	17,550,235
Repayment of bank borrowings	13	(2,194,242)	(17,550,235)
Payment of lease liabilities		(394,631)	(384,470)
Dividend received		-	189,729
Finance cost paid		(34,825)	(31,501)
<b>Net cash used in financing activities</b>		<u>(2,623,698)</u>	<u>(226,242)</u>
<b>Net decrease in cash and cash equivalents</b>		(3,411,143)	(629,843)
Cash and cash equivalents at the beginning of the period		<u>9,202,335</u>	<u>953,059</u>
<b>Cash and cash equivalents at the end of the period</b>	11	<u><u>5,791,192</u></u>	<u><u>323,216</u></u>

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025

### 1 General information

Foodco National Foodstuff PJSC (the "Company") is a private joint stock company incorporated in Abu Dhabi, United Arab Emirates. The registered address of the Company is at P. O. Box 2378, Port Zayed, Mina, Abu Dhabi, UAE.

The Company and its subsidiaries (collectively referred to as the "Group") are primarily engaged in the import and distribution of foodstuff and household items, catering services, facility management services and restaurants management in the United Arab Emirates.

The Company is regulated and listed on the Abu Dhabi Securities Exchange and is a subsidiary of Hily Holding PJSC (the "Parent") which is also listed on the Abu Dhabi Securities Exchange.

This condensed consolidated interim financial information includes the financial position and the financial performance of the following subsidiaries:

Name of subsidiary	Country of incorporation	Percentage of ownership		Principal activities
		30 June 2025	31 December 2024	
Abu Dhabi National Foodstuff Co LLC	UAE	100%	100%	Wholesale and distribution of foodstuff
5PL Logistics LLC	UAE	100%	100%	Shipment, clearance and warehousing services
National Oasis Foodstuff Company LLC	UAE	100%	100%	Packing of foodstuff

### 2 Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with IAS 34, "Interim Financial Reporting" and complies with the Articles of Association. It does not include all the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group's financial position and performance since the last consolidated financial statements for the year ended 31 December 2024.

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.

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 2 Statement of compliance (continued)

The condensed consolidated interim financial information has been prepared using the historical cost basis, except for the investments held at fair value through other comprehensive income.

### 3 Material accounting policies

The accounting policies applied in this condensed consolidated interim financial information are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2024. In addition, results for the three-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the year ending 31 December 2025.

- (a) *New and revised IFRS Accounting Standards applied with no material effect on the condensed consolidated interim financial information*

The following new and revised IFRS Accounting Standard, which became effective for annual periods beginning on or after 1 January 2025 have been adopted in this condensed consolidated interim financial information. The application of these revised IFRS Accounting Standards and interpretations has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 21 – Lack of exchangeability (effective 1 January 2025)

- (b) *Standards and Interpretations in issue but not yet effective*

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

- (i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026);
- (ii) Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (annual periods beginning or after 1 January 2026 with early adoption possible subject to local endorsement where required);
- (iii) IFRS 18, 'Presentation and Disclosure in Financial Statements' (annual periods beginning or after 1 January 2027 with early adoption possible subject to local endorsement where required); and
- (iv) IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective for annual periods starting on or after 1 January 2027).

### 4 Use of judgements and estimates

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 the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 4 Use of judgements and estimates (continued)

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the consolidated financial statements for the year ended 31 December 2024. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Group's financial risk management objectives and policies were the same as those described in the consolidated financial statements for the year ended 31 December 2024.

### 5 Fair value of financial instruments

The Group's management considers that the fair values of financial assets and financial liabilities approximates to their carrying amounts as stated in the condensed consolidated interim financial information.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Management has determined the fair value of these unquoted investments by applying an appropriate risk adjusted liquidity discount on the net assets of the investee companies.

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
<b>30 June 2025 (Unaudited)</b>				
Investments held at fair value through other comprehensive income	2,921,823	-	-	2,921,823
<b>31 December 2024 (Audited)</b>				
Investments held at fair value through other comprehensive income	3,301,281	-	-	3,301,281

The carrying values of the Group's financial assets and financial liabilities as at 30 June 2025 are not materially different from their fair values.

## Foodco National Foodstuff PJSC

### Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

#### 6 Property and equipment

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Property and equipment at net carrying amount	<u>96,691,336</u>	<u>92,188,446</u>

Movement in property and equipment is as follows:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	92,188,446	64,779,170
Additions during the period/year	5,667,428	29,791,199
Disposals during the period/year	(3,141)	-
Depreciation charge for the period/year	<u>(1,161,397)</u>	<u>(2,381,923)</u>
At 30 June/31 December	<u>96,691,336</u>	<u>92,188,446</u>

The Group's property and equipment with a carrying amount of AED 93,376,943 (31 December 2024: AED 89,345,490) is pledged with the bank against secured term loans.

#### 7 Goodwill

Company	Date of acquisition	Shareholding interest	Amount AED
Abu Dhabi National Foodstuff Company	<u>2018</u>	<u>100%</u>	<u>85,044,135</u>

The recoverable amount of the CGU (value in use) for impairment testing was estimated based on the present value of forecasted cashflows expected to be derived using discount rate of 13.5% (2024: 11.41 %) and terminal value growth rate of 3% (2024: 5.1%).

The discount rate used was a measure based on the rate of Abu Dhabi 10-year nominal treasury issued by the government in the UAE market, adjusted for equity and currency risk premium, country risk premium, size risk premium and industry risk premium to reflect the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Management has performed sensitivity analysis for possible upward and downward changes of 5% in discounted forecasted cashflows. With regard to the assessment of value-in-use, management believes that a reasonable possible adverse change in any of the key assumptions would not cause the recoverable amount of the CGU to be materially below its carrying value.

## Foodco National Foodstuff PJSC

### Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

#### 8 Inventories

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Goods for resale	15,345,345	5,807,391
Consumables	1,174,935	1,517,021
	<u>16,520,280</u>	<u>7,324,412</u>
Less: provision for slow moving inventories	(159,857)	(112,470)
	<u>16,360,423</u>	<u>7,211,942</u>

The movement in provision for slow moving inventories is as follows:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	112,470	1,793,242
Charge for the period/year	100,000	210,000
Reversal during the period/year	(52,613)	(1,890,772)
At 30 June/31 December	<u>159,857</u>	<u>112,470</u>

#### 9 Trade receivables

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited) (Restated)
Trade receivables	37,601,265	38,424,532
Less: provision for expected credit losses	(28,402,011)	(28,257,290)
	<u>9,199,254</u>	<u>10,167,242</u>

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 9 Trade receivables (continued)

Movement in provision for expected credit losses on trade receivables during the period/year was as follows:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited) (Restated)
At 1 January	28,257,290	27,992,486
Charge for the period/year	74,196	358,524
Transfer during the period/year	78,000	-
Reversal during the period/year	-	(93,720)
Written off during the period/year	(7,475)	-
At 30 June/31 December	<u>28,402,011</u>	<u>28,257,290</u>

### 10 Other current assets

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited) (Restated)
Prepayments	2,640,428	1,163,771
Advances to suppliers	1,944,234	1,944,234
Other receivables	1,066,502	754,641
Less: provision for expected credit losses on other current assets	<u>(1,953,393)</u>	<u>(1,953,393)</u>
	<u>3,697,771</u>	<u>1,909,253</u>

Movement in provision for expected credit losses on other current assets during the period/year are as follows:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	1,953,393	2,083,082
Write off during the period/year	<u>-</u>	<u>(129,689)</u>
As 30 June/31 December	<u>1,953,393</u>	<u>1,953,393</u>



# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 11 Cash and cash equivalents

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Cash in banks – current accounts	8,439,440	9,208,650
Cash in hand	57,525	53,525
	<u>8,496,965</u>	<u>9,262,175</u>

#### Reconciliation to the condensed consolidated interim statement of cash flows

The above figures reconcile to the amount of cash shown in the condensed consolidated interim statement of cash flows at the end of the financial period as follows:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Balances as above	8,496,965	9,262,175
Bank overdraft	(2,705,773)	(59,840)
	<u>5,791,192</u>	<u>9,202,335</u>

### 12 Trade and other payables

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Trade payables	1,624,763	3,693,483
Accrued expenses	2,991,761	3,297,366
Advances from customers	32,279	26,619
Retention payable	2,625,800	5,251,600
Other payables	166,482	75,381
	<u>7,441,085</u>	<u>12,344,449</u>

### 13 Bank borrowings

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Loans and borrowings	50,467,361	52,661,603
Bank overdrafts	2,705,773	59,840
	<u>53,173,134</u>	<u>52,721,443</u>

## Foodco National Foodstuff PJSC

### Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

#### 13 Bank borrowings (continued)

The movement in bank borrowings during the period/year is as follows:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
At 1 January	52,721,443	727,072
Additions during the period/year	18,591,253	86,757,224
Repayments during the period/year	(18,139,562)	(34,762,853)
At 30 June/31 December	<u>53,173,134</u>	<u>52,721,443</u>

The bank borrowings are repayable as follows:

Current	9,288,500	6,642,567
Non-current	<u>43,884,634</u>	<u>46,078,876</u>
	<u>53,173,134</u>	<u>52,721,443</u>

The Group has obtained bank overdraft facility to meet short-term working capital requirements and is repayable on demand. The facility is secured against investments and carries interest at applicable market rates plus margin.

During 2024, the Group has obtained an Islamic Ijarah loan facility from a local bank amounting to AED 53.6 million out of which the Group has utilised AED 52.7 million as at 30 June 2025. The loan is repayable in 24 quarterly installments. The loan carries interest at three-month EIBOR plus spread of 2.25%. As at 31 December 2024, the outstanding balance of this facility amounted to AED 50.5 million (31 December 2024: AED 52.7 million).

#### 14 Related party transaction and balances

The Group, in the normal course of business, enters into transactions with other enterprises, which fall within the definition of a related party as per IAS 24. The related parties also include Chairman, Board members and other key management personnel, major shareholders in the Company (those who own 5% or more of the Company's shares or voting rights), Chairman and members of the boards of parent, subsidiary, sister, or affiliated companies of the Company, companies where any member of the board or executive management of the company serves as a Board Member or senior executive. Such transactions are on agreed terms and conditions with related parties.

Balances with related parties included in the condensed consolidated interim statement of financial position are as follows:

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 14 Related party transaction and balances (continued)

#### 14.1 Due from related parties

	Nature of relationship	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Hily Holding PJSC	Parent company	96,566,063	118,777,648
Green Motors Sole Proprietorship LLC	Affiliate	9,077,193	7,796,348
Ahmed Ali Khalfan Al Dhahery	Director	72,622	21,634
Mohamed Ali Alhossani	Director	63,942	269,249
	Entity with significant influence	25,334	525,094
Ali & Sons Holding LLC	Director	-	5,600
Mohamed Al Qubaissi	Common Shareholder	-	252,139
Mohammad Bin Ahmad Bin Saeed	Others	2,273	12,902
Others		<u>105,807,427</u>	<u>127,660,614</u>

Balances due from related parties are unsecured and receivable on demand. During the year, due from related parties did not contain impaired assets, and accordingly no provision was recorded (2024: Nil).

#### 14.2 Due to related parties

	Nature of relationship	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Dana Plaza Real Estate L.L.C	Common ownership	61,526,648	58,569,892
Al Wathba National Insurance Co.	Entity with significant influence	229,368	47,162
Green Lease Rent a Car – Sole Proprietorship LLC	Affiliate	88,703	85,084
		<u>61,844,719</u>	<u>58,702,138</u>

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 14 Related party transaction and balances (continued)

#### 14.3 Transactions with related parties

	Nature of relationship	Six-month period ended 30 June	
		2025 AED (Unaudited)	2024 AED (Unaudited)
<i>Revenue</i>			
Green Motors Sole Proprietorship LLC	Affiliate Entity with significant influence	1,330,770	1,680,985
Ali & Sons Holding LLC		108,887	439,407
Ahmed Ali Khalfan Al Dhahery	Director	91,905	114,236
Mohamed Ali Alhossani	Director	63,942	91,540
Rashed Darwish Ahmed Saif Alketbi	Affiliate	22,071	16,662
ABK Investment LLC	Affiliate	457	3,521
AAK Investment LLC	Affiliate	1,421	1,206
Green Lease Rent a Car – Sole Proprietorship LLC	Affiliate	9,358	114,236
		<u>1,628,811</u>	<u>2,461,793</u>
<i>Expense</i>			
Al Wathba National Insurance Co.	Entity with significant influence	(250,404)	(209,677)
Ali & Sons Holding LLC	Entity with significant influence	-	(6,875)
Green Lease Rent a Car – Sole Proprietorship LLC	Affiliate	(122,417)	(188,742)
		<u>(372,821)</u>	<u>(405,294)</u>

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 14 Related party transaction and balances (continued)

#### 14.3 Transactions with related parties (continued)

The remuneration of key management personnel during the period was as follows:

	Six-month period ended 30 June	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited)
Key management compensation	901,962	918,025

### 15 Revenue from contracts with customers

	Six-month period ended 30 June	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited)
Revenue from trading	27,069,659	26,382,082
Revenue from logistics and storage	4,303,749	7,399,861
Other revenue	-	189,729
	<u>31,373,408</u>	<u>33,971,672</u>

#### Timing of revenue recognition:

At a point in time	27,069,659	26,571,811
Over a period of time	4,303,749	7,399,861
	<u>31,373,408</u>	<u>33,971,672</u>

#### Geographical information

The information on Group's revenue by geography has been compiled based on the principal location of the customers. The Group's principal place of operations is the United Arab Emirates.

	Six-month period ended 30 June	
	2025	2024
	AED	AED
	(Unaudited)	(Unaudited)
United Arab Emirates	16,635,857	28,626,307
Oman	4,690,796	-
Bahrain	2,086,072	598,827
Kuwait	1,863,702	4,746,538
Saudi Arabia	1,793,232	-
	<u>27,069,659</u>	<u>33,971,672</u>

## Foodco National Foodstuff PJSC

### Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

#### 16 Commitments and contingent liabilities

##### (a) Contingent liabilities

As at reporting date, the following contingent liabilities were outstanding:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Bank guarantees	<u>1,565,992</u>	<u>1,565,992</u>
Letter of Credit	<u>642,208</u>	<u>9,105,624</u>

##### (b) Capital commitments

As at reporting date, the capital commitments relate to the following:

	30 June 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Warehouse expansion	<u>1,506,750</u>	<u>7,334,002</u>

##### (c) Legal contingencies

The Group is involved in litigation from time-to-time in the ordinary course of business. At each reporting date, the Group evaluates litigation matters and review with the Group's legal department and external counsel, the status of various outstanding legal cases and, where appropriate, establish provisions and disclose any contingent liabilities as required by IAS 37. In order to make an assessment for legal provisions and contingent liabilities, the Group considers various factors including, but not limited to, reviewing, on a case-by-case basis, the underlying facts of pending or threatened litigation, the Group's history with prior claims, the actual or possible claim assessment by internal and external counsel and the status of negotiations.

Based on the Group's overall assessment of the case, if the Group believes it is probable that an outflow of resources will be required to settle the obligation, the Group then determines whether a reliable estimate can be made. If so, the Group makes an estimate of the provision under various scenarios, ranging from best case to worst case. The Group uses the "best estimate" outcome and records a provision in the condensed consolidated interim financial information.

## Foodco National Foodstuff PJSC

### Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

#### 17 Basic and diluted earnings per share

	Six-month period ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Loss for the period (AED)	(7,028,143)	(612,641)
Weighted-average number of ordinary shares	280,000,000	280,000,000
<b>Basic and diluted loss per share (AED)</b>	<b>(0.025)</b>	<b>(0.002)</b>

#### 18 Income tax

The Group's result incorporates the UAE Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("Law"). The Law stipulates an effective tax rate of 9% on taxable profits above AED 375,000 and is calculated on the Group's outlook of the Law.

The Company forms a Tax Group with Hily Holding PJSC (the "Parent") and its subsidiaries in accordance with the UAE Corporate Tax Law and adopts the policy choice of a 'separate taxpayer within a Group' wherein the Company computes its current and deferred taxes, but makes adjustments for matters that are assessed or determined at a tax group level. Accordingly, the Group has not recognised a deferred tax asset in respect of its tax losses as these are assessed based on the tax group position.

#### 19 Segment information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors in order to allocate resources to the segment and to assess its performance.

For operating purposes, the Group is organised into two major business segments:

- (i) Freight forwarding and storage; and
- (ii) Trading.

Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds.

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 19 Segment information (continued)

Information regarding these segments is presented below:

#### Six-month period ended 30 June 2025 (Unaudited)

	Trading AED	Freight forwarding and storage AED	Others AED	Eliminations AED	Total AED
Income – external	27,069,659	4,303,749	189,729	-	31,563,137
Income – internal	-	2,513,271	-	(2,513,271)	-
Profit / (loss) for the period	(1,550,255)	(5,355,063)	(122,825)	-	(7,028,143)

#### Six-month period ended 30 June 2024 (Unaudited)

	Trading AED	Freight forwarding and storage AED	Others AED	Eliminations AED	Total AED
Income – external	26,382,082	7,399,861	189,729	-	33,971,672
Income – internal	-	1,743,525	-	(1,743,525)	-
Profit / (loss) for the period	1,475,145	(2,268,170)	180,384	-	(612,641)



## Foodco National Foodstuff PJSC

### Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

#### 19 Segment information (continued)

The segment assets and liabilities are as follows:

	Trading AED	Freight forwarding and storage AED	Others AED	Eliminations AED	Consolidated AED
<b>As at 30 June 2025 (Unaudited)</b>					
Assets	173,140,639	158,934,832	272,838,354	(270,638,908)	334,274,917
Liabilities	49,466,451	185,202,007	1,655,496	(105,504,668)	130,819,286

#### As at 31 December 2024 (Audited)

Assets	163,991,645	144,542,670	272,611,146	(238,282,186)	342,863,275
Liabilities	36,253,936	167,968,059	926,003	(73,147,955)	132,000,043

#### 20 Restatement in comparative information

In accordance with the requirements of IAS 8 “Accounting policies, changes in accounting estimates and errors” (“IAS 8”), management has restated the comparative figures of the prior year condensed consolidated interim financial information. The note below sets out the details of adjustments and the line items in the condensed consolidated interim statements of financial position, profit or loss and other comprehensive income, and cash flows.

1. In the comparatives of the condensed consolidated interim statement of profit or loss and other comprehensive income, depreciation expenses on warehouse building, and warehouse equipment amounting to AED 1,127,421 were incorrectly classified as selling and marketing expenses instead of cost of sales. These amounts have now been presented as “cost of sales”.
2. The Group has amended the categorisation and presentation of certain amounts previously classified within its “Trade receivables” (previously “Trade and other receivables”) to “other current assets” line item due to the nature of these balances in alignment with the requirements of IAS 1 *Presentation of Financial Statements*. Accordingly, in the comparatives of the condensed consolidated interim statement of financial position, balances amounting to AED 1,909,253 comprising prepayments, advances to suppliers and other receivables were reclassified from “Trade receivables” (previously “Trade and other receivables”) to “other current assets”.

# Foodco National Foodstuff PJSC

## Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

### 20 Restatement in comparative information (continued)

Following are the details before and after the above errors were rectified:

	As previously reported AED	Increase (decrease) AED	As restated AED
<b><u>Condensed consolidated interim statement of financial position</u></b>			
<b>31 December 2024</b>			
Trade receivables*	12,076,495	(1,909,253)	10,167,242
Other current assets	-	1,909,253	1,909,253

### **Condensed consolidated interim statement of cash flows**

#### **Six-month period ended 30 June 2024**

Changes in:			
Trade receivables*	(1,956,385)	1,111,082	(854,303)
Other current assets	-	(1,111,082)	(1,111,082)

\*Previously "Trade receivables and other assets"

### **Condensed consolidated interim statement of profit or loss and other comprehensive income**

#### **Six-month period ended 30 June 2024**

Cost of sales	25,027,511	1,127,421	26,154,932
<b>Gross profit</b>	<b>8,944,161</b>	<b>(1,127,421)</b>	<b>7,816,740</b>
Selling and marketing expenses	4,800,872	(1,127,421)	3,673,451

### 21 Seasonality of results

The seasonal nature of the Group's activities primarily is driven by the trading segment, whose revenue has variability during the first and last quarter of the year.