

A D N H Catering plc

**Review report and condensed consolidated interim
financial information for the twelve-month period
ended 30 September 2024 (Unaudited)**

A D N H Catering plc

Review report and condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (Unaudited)

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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 2024 and the related condensed consolidated interim statements of profit and loss and comprehensive income for the three-month and twelve-month periods then ended, and condensed consolidated interim statements of changes in equity and cash flows for the twelve-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."

Emphasis of matter

We draw attention to the fact that, as disclosed in Note 1, following the reorganisation, the Group changed its financial year end from 30 September to 31 December to align itself with the year end of its ultimate parent, Abu Dhabi National Hotels Company PJSC. As a result, the condensed interim consolidated financial information is for a period of twelve months which is considered as an interim period.

Our conclusion is not modified in respect of this matter.

Other matter

The comparative information for the condensed consolidated interim statement of financial position as at 30 September 2023 has not been audited or reviewed, further the comparative information for the condensed consolidated interim statements of profit and loss and comprehensive income for the three-month and twelve-month periods then ended, and the condensed consolidated interim statements of changes in equity and cash flows for the twelve-month period ended 30 September 2023 have not been audited or reviewed.

PricewaterhouseCoopers Limited Partnership (ADGM Branch)


.....7 November 2024

Nizar Jichi
Abu Dhabi, United Arab Emirates

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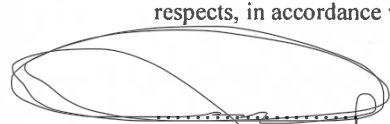
PricewaterhouseCoopers Limited Partnership is registered in the Abu Dhabi Global Market.

A D N H Catering plc

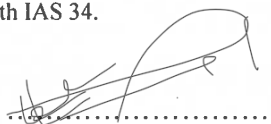
Condensed consolidated interim statement of financial position

		As at	
	Note	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
ASSETS			
Non-current assets			
Property and equipment	5	17,988,045	14,958,362
Right-of-use assets	6	67,823,148	86,656,545
Intangible assets	7	283,258,108	285,534
Investment in a joint venture	8	10,369,138	-
		<u>379,438,439</u>	<u>101,900,441</u>
Current assets			
Inventories	9	11,832,654	6,819,045
Trade and other receivables	10	633,686,936	567,478,224
Due from related parties	11	9,795,543	27,041,715
Cash and bank balances	12	133,953,637	165,697,328
		<u>789,268,770</u>	<u>767,036,312</u>
Total assets		<u>1,168,707,209</u>	<u>868,936,753</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	13	225,000,000	-
Statutory reserve		10,000,000	10,000,000
Capital contribution	13	142,354,198	20,000,000
Other reserves		372,769	-
Retained earnings		140,081,254	212,421,946
Total equity		<u>517,808,221</u>	<u>242,421,946</u>
LIABILITIES			
Non-current liabilities			
Lease liabilities	14	28,353,374	47,584,568
Deferred tax liabilities	20	17,548,759	-
Provision for employees' end of service benefits		117,683,719	110,130,739
		<u>163,585,852</u>	<u>157,715,307</u>
Current liabilities			
Trade and other payables	15	416,099,360	415,234,941
Income tax provision		14,850,099	-
Due to related parties	11	22,785,212	23,177,917
Lease liabilities	14	33,578,465	30,386,642
		<u>487,313,136</u>	<u>468,799,500</u>
Total liabilities		<u>650,898,988</u>	<u>626,514,807</u>
Total equity and liabilities		<u>1,168,707,209</u>	<u>868,936,753</u>

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



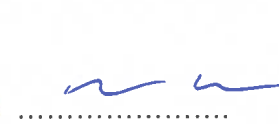
Khalaf Sultan Rashed
Saeed Al Dhaheri
Chairman



Sheikh Ahmed Mohammed
Sultan Suroor Aldhahiri
Vice Chairman



Clive William Cowley
Chief Executive Officer



Andrew Robert Marshall
Chief Financial Officer

The notes on pages 8 to 33 are an integral part of this condensed consolidated interim financial information. (2)



A D N H Catering plc

Condensed consolidated interim statement of profit or loss

		Three-month period ended 30 September		Twelve-month period ended 30 September	
	Note	2024 AED (Unaudited)	2023 AED (Unaudited and not reviewed)	2024 AED (Unaudited)	2023 AED (Unaudited and not reviewed)
Revenues from contracts with customers	16	407,246,436	292,035,408	1,449,143,000	1,388,792,200
Direct costs	17	(342,597,351)	(223,326,215)	(1,223,923,140)	(1,124,771,033)
Gross profit		<u>64,649,085</u>	<u>68,709,193</u>	<u>225,219,860</u>	<u>264,021,167</u>
General and administrative expenses	18	(21,902,488)	(19,598,044)	(72,636,923)	(74,955,882)
Provision for impairment of financial assets		-	(897,915)	-	(904,989)
Share of profit from joint venture	8	651,257	-	651,257	-
Other income		67,251	25,642,669	613,904	26,293,473
Other expenses		(33,616)	(2,992,496)	(239,166)	(3,017,650)
Operating profit		<u>43,431,489</u>	<u>70,863,407</u>	<u>153,608,932</u>	<u>211,436,119</u>
Finance income	12	80,729	1,570,804	2,943,685	2,783,853
Finance costs		(1,582,534)	(671,723)	(3,665,248)	(2,784,246)
Finance (costs)/income, net		<u>(1,501,805)</u>	<u>899,081</u>	<u>(721,563)</u>	<u>(393)</u>
Profit before income tax		<u>41,929,684</u>	<u>71,762,488</u>	<u>152,887,369</u>	<u>211,435,726</u>
Income tax expense	20	(3,715,187)	-	(13,792,335)	-
Profit for the period		<u><u>38,214,497</u></u>	<u><u>71,762,488</u></u>	<u><u>139,095,034</u></u>	<u><u>211,435,726</u></u>
Profit attributable to:					
Equity holders of the Parent		<u>38,214,497</u>	<u>71,762,488</u>	<u>139,095,034</u>	<u>211,435,726</u>
Basic and diluted earnings per share attributable to ordinary equity holders of the Parent (AED)	21	<u>0.017</u>	<u>-</u>	<u>0.062</u>	<u>-</u>

The notes on pages 8 to 33 are an integral part of this condensed consolidated interim financial information.

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Condensed consolidated interim statement of comprehensive income

	Three-month period ended 30 September		Twelve-month period ended 30 September	
	2024	2023	2024	2023
	AED	AED	AED	AED
	(Unaudited)	(Unaudited and not reviewed)	(Unaudited)	(Unaudited and not reviewed)
Profit for the period	38,214,497	71,762,488	139,095,034	211,435,726
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 other comprehensive income for the period	-	-	372,769	-
Total comprehensive income for the period attributable to:				
Equity holders of the Parent	<u>38,214,497</u>	<u>71,762,488</u>	<u>139,467,803</u>	<u>211,435,726</u>

A D N H Catering plc

Condensed consolidated interim statement of changes in equity

	Share capital AED	Statutory reserve AED	Capital contribution AED	Other reserves AED	Retained earnings AED	Total AED
At 1 October 2022						
(Unaudited and not reviewed)	-	10,000,000	20,000,000	-	215,337,048	245,337,048
Total comprehensive income for the period	-	-	-	-	211,435,726	211,435,726
Transactions with the owner in its capacity as owner:						
Dividends (Note 13)	-	-	-	-	(214,350,828)	(214,350,828)
At 30 September 2023						
(Unaudited and not reviewed)	-	10,000,000	20,000,000	-	212,421,946	242,421,946
At 1 October 2023						
(Unaudited and not reviewed)	-	10,000,000	20,000,000	-	212,421,946	242,421,946
Profit for the period	-	-	-	-	139,095,034	139,095,034
Other comprehensive income for the period	-	-	-	372,769	-	372,769
Total comprehensive income for the period	-	-	-	372,769	139,095,034	139,467,803
Transactions with the owner in its capacity as owner:						
Share capital issuance (Notes 13)	3,673	-	-	-	-	3,673
Business combination of entities under common control (Notes 1, 19)	-	-	276,088,627	-	-	276,088,627
Acquisition of a joint venture from the Parent (Notes 1, 8)	-	-	9,708,096	-	-	9,708,096
Increase in share capital (Note 13)	224,996,327	-	(224,996,327)	-	-	-
Dividends (Note 13)	-	-	-	-	(211,435,726)	(211,435,726)
Capital contribution (Note 13)	-	-	61,553,802	-	-	61,553,802
At 30 September 2024 (Unaudited)	<u>225,000,000</u>	<u>10,000,000</u>	<u>142,354,198</u>	<u>372,769</u>	<u>140,081,254</u>	<u>517,808,221</u>

The notes on pages 8 to 33 are an integral part of this condensed consolidated interim financial information.

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A D N H Catering plc

Condensed consolidated interim statement of cash flows

		Twelve-month period ended 30 September	
	Note	2024 AED	2023 AED
		(Unaudited)	(Unaudited and not reviewed)
Cash flows from operating activities			
Profit before income tax		152,887,369	211,435,726
Adjustments for:			
Depreciation of property and equipment	5	12,844,755	8,165,846
Amortisation of right-of-use assets	6	35,777,978	31,468,505
Amortisation of intangible assets	7	5,099,017	72,800
Provision of impairment of financial assets	10	-	904,989
Share of profit from joint venture	8	(651,257)	-
Gain on derecognition of lease liabilities		(152,544)	-
Gain on disposal of property and equipment		(198,035)	-
Provision for employees' end of service benefits		20,059,671	20,218,570
Finance income		(2,943,685)	(2,783,853)
Finance costs		3,665,248	2,784,246
Operating cash flows before payment of employees' end of service benefits and changes in working capital		226,388,517	272,266,829
Employees' end of service benefits paid		(13,808,831)	(30,416,252)
Changes in working capital:			
Inventories		(2,628,512)	7,018,100
Trade and other receivables		59,175,888	4,153,514
Due from related parties		17,229,845	(8,743,282)
Trade and other payables		(83,323,685)	(140,615,963)
Due to related parties		(41,689,631)	58,434
Net cash generated from operating activities		161,343,591	103,721,380
Cash flows from investing activities			
Purchase of property and equipment	5	(10,554,813)	(9,814,513)
Proceeds from disposal of property and equipment		443,336	1,650,460
Business combination of entities under common control	19	455,837	-
Purchase of intangible assets	7	-	(289,550)
Finance income received		2,943,685	2,783,853
Net cash used in investing activities		(6,711,955)	(5,669,750)

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Condensed consolidated interim statement of cash flows (continued)

		Twelve-month period ended 30 September	
		2024	2023
		AED	AED
		(Unaudited)	(Unaudited and not reviewed)
Cash flows from financing activities			
Dividends paid in cash	13	(149,881,924)	(214,350,828)
Finance cost paid		(3,665,248)	(2,784,246)
Principal elements of lease payments	14	(32,828,155)	(32,754,686)
Net cash used in financing activities		<u>(186,375,327)</u>	<u>(249,889,760)</u>
Net decrease in cash and cash equivalents		(31,743,691)	(151,838,130)
Cash and cash equivalents at the beginning of the period		<u>165,697,328</u>	<u>317,535,458</u>
Cash and cash equivalents at the end of the period	12	<u>133,953,637</u>	<u>165,697,328</u>

Significant non-cash transactions have been disclosed in Note 25 to the condensed consolidated interim financial information.

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024

1 General information

A D N H Catering plc (formerly known as “A D N H Catering Limited) (the “Company” or “ADNHC”) is a public company limited by shares incorporated on 22 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”).

On 3 September 2024, the Company’s shareholders passed a resolution to change the name of the Company to A D N H Catering plc from A D N H Catering Limited and the legal formalities to change the Company’s name were completed on 4 September 2024. Simultaneously, the Company changed its legal structure from a Private Company Limited by shares to a Public Company Limited by shares.

ADNHC is a wholly owned subsidiary of Abu Dhabi National Hotels Company PJSC (“Parent”, 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 financial information for the twelve-month period ended 30 September 2023 is unaudited and not reviewed and is presented for comparative purposes only.

During July 2024, the Group has changed its financial year to 1 January to 31 December. Hence, the Group’s first complete consolidated financial statements after changing the financial year will be prepared for the fifteen-month period ending 31 December 2024. This condensed consolidated interim financial information is prepared for a twelve-month period, which is not considered a complete period for the Company. In addition, results for the twelve-month period ended 30 September 2024 are not necessarily indicative of the results of the fifteen-month period ending 31 December 2024.

The average number of employees during the period ended 30 September 2024 was 18,074 (30 September 2023: 15,096).

As of 30 June 2024, the following transactions were completed between ADNH PJSC and ADNH Catering LLC OPC (“ADNHC Abu Dhabi”) previously known as Abu Dhabi National Hotels Compass Middle East LLC in regard to ADNH Catering L.L.C. (“ADNHC Dubai”) previously known as Abu Dhabi National Hotels Compass Emirates LLC and ADNH Compass L.L.C. SP (“ADNHC Sharjah”) (collectively “ADNHC Entities”):

- On 31 March 2024, the Parent increased its equity interests in ADNHC Abu Dhabi, ADNHC Dubai and ADNHC Sharjah from 51% to 100% in each of these entities.

ADNH Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

1 General information (continued)

- On 11 June 2024 and 26 June 2024, the Parent transferred 100% equity interest in ADNHC Dubai and ADNHC Sharjah entities, respectively, to ADNHC Abu Dhabi for a total consideration of AED 20,000, with a transaction close date of 30 June 2024 (Note 19);
- On 28 June 2024, the Parent entered into a share transfer agreement to transfer its 30% equity interest in Compass Arabia Co Ltd (“KSA JV”), that was accounted for as an equity-accounted joint venture, to ADNHC Abu Dhabi, with a transaction close date of 30 June 2024 (Note 8); and
- On 30 June 2024, the Parent transferred its 100% equity interest in ADNHC Abu Dhabi to the Company (the “Reorganisation”).

Below is the list of subsidiaries and joint venture of the of the Group:

Name of subsidiary	Area of domicile	Principal activities	Ownership interest	
			30 September 2024	30 September 2023
ADNH Catering LLC OPC	UAE	Catering & contract services	100%	-
ADNH Catering LLC	UAE	Catering	100%	-
ADNH Compass LLC SP	UAE	Catering	100%	-
Name of joint venture				
Compass Arabia Co Ltd	KSA	Catering	30%	-

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.

The condensed consolidated interim financial information was authorized and approved by the Board of Directors for issuance on 7 November 2024.

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

The following new and revised IFRS Accounting Standard, which became effective for annual periods beginning on or after 1 January 2024 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.

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

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

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

- (a) Classification of liabilities as current or non-current liabilities – Amendments to IAS 1, (effective 1 January 2024);
- (b) Lease liability in sale and leaseback – Amendments to IFRS 16 (effective 1 January 2024); and
- (c) Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 (effective 1 January 2024).

2.2 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:

- (a) Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods starting on or after 1 January 2025).

3 Material accounting policies

The material accounting policies applied in the preparation of these condensed consolidated interim financial information are set out below.

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 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 condensed consolidated interim financial information for the period ended 30 June 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 condensed consolidated interim financial information.

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

3 Material accounting policies (continued)

3.1 Basis of preparation (continued)

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 condensed consolidated interim financial information for the period ended 30 June 2024. In addition, results for the three-month and the twelve-month periods ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial period ending 31 December 2024.

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

Going concern

The management have, at the time of approving the condensed consolidated interim financial information, made a reasonable expectation that the Group has adequate resources to continue in 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.

Group reorganisation

The reorganisation as discussed in Note 1, is a common control transaction as ADNHC Abu Dhabi and the Company, are controlled by ADNHC PJSC both before and after the Reorganisation. As such, this Group reorganisation has no economic substance and accordingly, the condensed consolidated interim financial information of the Group is prepared on the basis that the reorganisation is in substance a continuation of ADNHC Abu Dhabi combined under the Group. Considering that the Company was established on 21 June 2024 and therefore share capital was nil for 1 October 2023, it is not meaningful to present share capital or an analysis of reserve or components of other comprehensive income, other than retained earnings, statutory reserves and other reserve which are separately identifiable for 1 October 2023.

3.2 Business combinations under common control

During the period, ADNHC Abu Dhabi has acquired 100% of the shares of ADNHC Dubai and ADNHC Sharjah from the Ultimate Parent Company ADNHC PJSC. The later transaction is considered a common control transaction as these entities will continue to be controlled by ADNHC PJSC both before and after the business combination. Considering that these acquisitions are considered to be outside the scope of IFRS 3 “Business Combinations”, Management has chosen the pooling of interest method of accounting for these transactions. The pooling of interest method is considered to involve the combining parties being presented as if they had always been combined. To this effect, the Group will account for the acquisitions from the beginning of the period in which the combination occurs (i.e., from the date when these entities were under the common control of ADNHC PJSC).

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

3 Material accounting policies (continued)

3.2 Business combinations under common control (continued)

The acquisitions are accounted for using the pooling of interest method as follows:

- Assets and liabilities of the subsidiaries acquired, are reflected at their carrying amounts and no adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the acquisition that would otherwise be done under the acquisition method;
- No goodwill is recognised as a result of the acquisitions, except to the extent that existing goodwill was previously recognised in the combining entities.
- The difference between the consideration transferred and the equity of the entities acquired as at the date of the acquisition is reflected within equity as a 'Capital contribution';
- The statement of profit or loss and retained earnings reflect the results of the subsidiaries starting from the date when these entities were under common control of the Parent;
- The Group has adopted an accounting policy to report the comparative information as if the Group always owned the businesses acquired under common control from the date when such businesses were part of the Group.

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 material 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 uncertainty were the same as those applied to the condensed consolidated interim financial information for the period ended 30 June 2024.

Simultaneously, the risks identified for the period are the same as the ones identified in the condensed consolidated interim financial information for the period ended 30 June 2024.

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

5 Property and equipment

	Leasehold improvements AED	Operating equipment AED	Furniture, fixtures & office equipment AED	Motor vehicles AED	Capital work- in progress AED	Total AED
<i>Cost</i>						
At 1 October 2022						
(Unaudited and not reviewed)	9,949,918	55,518,231	16,793,832	2,388,998	1,704,106	86,355,085
Additions	-	3,777,671	5,310,754	-	726,088	9,814,513
Transfers	-	(226,181)	(126,114)	-	-	(352,295)
Disposals	(7,296,514)	(13,010,116)	(2,545,857)	(466,000)	(1,498,262)	(24,816,749)
At 30 September 2023						
(Unaudited and not reviewed)	2,653,404	46,059,605	19,432,615	1,922,998	931,932	71,000,554
Acquisition through business combination (Note 19)	-	3,286,436	1,954,655	-	323,835	5,564,926
Additions	583,047	3,452,777	6,118,556	-	400,433	10,554,813
Disposals	-	(10,062,344)	(1,615,063)	(1,446,500)	-	(13,123,907)
At 30 September 2024 (Unaudited)	<u>3,236,451</u>	<u>42,736,474</u>	<u>25,890,763</u>	<u>476,498</u>	<u>1,656,200</u>	<u>73,996,386</u>

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

5 Property and equipment (continued)

	Leasehold improvements AED	Operating equipment AED	Furniture, fixtures & office equipment AED	Motor vehicles AED	Capital work- in progress AED	Total AED
<i>Accumulated depreciation</i>						
At 1 October 2022						
(Unaudited and not reviewed)	(9,369,919)	(48,771,466)	(10,864,547)	(2,388,998)	-	(71,394,930)
Charge for the year	(116,000)	(4,526,779)	(3,523,067)	-	-	(8,165,846)
Transfers	-	255,919	96,192	-	-	352,111
Disposals	7,296,514	12,939,116	2,464,843	466,000	-	23,166,473
At 30 September 2023						
(Unaudited and not reviewed)	(2,189,405)	(40,103,210)	(11,826,579)	(1,922,998)	-	(56,042,192)
Charge for the period	(150,387)	(7,981,772)	(4,712,596)	-	-	(12,844,755)
Disposals	-	9,958,157	1,473,949	1,446,500	-	12,878,606
At 30 September 2024 (Unaudited)	<u>(2,339,792)</u>	<u>(38,126,825)</u>	<u>(15,065,226)</u>	<u>(476,498)</u>	<u>-</u>	<u>(56,008,341)</u>
<i>Net carrying amount</i>						
At 30 September 2023 (Unaudited and not reviewed)	463,999	5,956,395	7,606,036	-	931,932	14,958,362
At 30 September 2024 (Unaudited)	<u>896,659</u>	<u>4,609,649</u>	<u>10,825,537</u>	<u>-</u>	<u>1,656,200</u>	<u>17,988,045</u>

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

5 Property and equipment (continued)

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

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Direct costs (Note 17)	11,796,930	7,566,904
General and administrative expenses (Note 18)	1,047,825	598,942
	<u>12,844,755</u>	<u>8,165,846</u>

6 Right-of-use assets

	Buildings AED	Vehicles AED	Total AED
<i>Cost</i>			
At 1 October 2022			
(Unaudited and not reviewed)	73,554,916	26,737,030	100,291,946
Additions	21,901,448	20,890,232	42,791,680
Derecognition of right-of-use assets	<u>(2,674,071)</u>	<u>(10,170,784)</u>	<u>(12,844,855)</u>
At 30 September 2023			
(Unaudited and not reviewed)	92,782,293	37,456,478	130,238,771
Acquisition through business combination (Note 19)	10,650,935	3,534,823	14,185,758
Additions	107,203	6,532,191	6,639,394
Derecognition of right-of-use assets	<u>(9,924,908)</u>	<u>(6,260,841)</u>	<u>(16,185,749)</u>
At 30 September 2024 (Unaudited)	<u>93,615,523</u>	<u>41,262,651</u>	<u>134,878,174</u>
<i>Accumulated amortisation</i>			
At 1 October 2022			
(Unaudited and not reviewed)	(12,085,607)	(12,561,387)	(24,646,994)
Charge for the year	(24,346,705)	(7,121,800)	(31,468,505)
Derecognition of right-of-use assets	<u>2,362,489</u>	<u>10,170,784</u>	<u>12,533,273</u>
At 30 September 2023			
(Unaudited and not reviewed)	(34,069,823)	(9,512,403)	(43,582,226)
Charge for the period	(28,337,094)	(7,440,884)	(35,777,978)
Derecognition of right-of-use assets	<u>6,717,420</u>	<u>5,587,758</u>	<u>12,305,178</u>
At 30 September 2024 (Unaudited)	<u>(55,689,497)</u>	<u>(11,365,529)</u>	<u>(67,055,026)</u>
<i>Net carrying amount</i>			
At 30 September 2023 (Unaudited and not reviewed)	<u>58,712,470</u>	<u>27,944,075</u>	<u>86,656,545</u>
At 30 September 2024 (Unaudited)	<u>37,926,026</u>	<u>29,897,122</u>	<u>67,823,148</u>

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

6 Right-of-use assets (continued)

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

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Direct costs (Note 17)	33,785,125	29,519,657
General and administrative expenses (Note 18)	1,992,853	1,948,848
	<u>35,777,978</u>	<u>31,468,505</u>

7 Intangible assets

	Software AED	Customer relationships AED	Goodwill AED	Total AED
Cost				
At 1 October 2022				
(Unaudited and not reviewed)	14,078,261	-	-	14,078,261
Additions	<u>289,550</u>	<u>-</u>	<u>-</u>	<u>289,550</u>
At 30 September 2023 (Unaudited and not reviewed)	14,367,811	-	-	14,367,811
Acquisition through business combination (Note 19)	<u>-</u>	<u>200,100,000</u>	<u>87,971,591</u>	<u>288,071,591</u>
At 30 September 2024 (Unaudited)	<u>14,367,811</u>	<u>200,100,000</u>	<u>87,971,591</u>	<u>302,439,402</u>
Accumulated amortisation				
At 1 October 2022				
(Unaudited and not reviewed)	(14,009,477)	-	-	(14,009,477)
Charge for the year	<u>(72,800)</u>	<u>-</u>	<u>-</u>	<u>(72,800)</u>
At 30 September 2023 (Unaudited and not reviewed)	(14,082,277)	-	-	(14,082,277)
Charge for the period	<u>(96,517)</u>	<u>(5,002,500)</u>	<u>-</u>	<u>(5,099,017)</u>
At 30 September 2024 (Unaudited)	<u>(14,178,794)</u>	<u>(5,002,500)</u>	<u>-</u>	<u>(19,181,294)</u>
Net carrying amount				
At 30 September 2023 (Unaudited and not reviewed)	<u>285,534</u>	<u>-</u>	<u>-</u>	<u>285,534</u>
At 30 September 2024 (Unaudited)	<u>189,017</u>	<u>195,097,500</u>	<u>87,971,591</u>	<u>283,258,108</u>

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

7 Intangible assets (continued)

Management tests for impairment on an annual basis the intangible assets that have indefinite life.

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

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Direct costs (Note 17)	48,334	-
General and administrative expenses (Note 18)	5,050,683	72,800
	<u>5,099,017</u>	<u>72,800</u>

8 Investment in a joint venture

During 30 June 2024, the Parent transferred its 30% equity interest in Compass Arabia Co Ltd ("KSA JV"), with a carrying amount of AED 9,717,881 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 "Capital contribution" within equity in the condensed consolidated interim statement of financial position as this transaction is considered to be transaction with owners in its capacity as owner.

Name of joint venture	Area of domicile	Principal activities	Ownership interest	
			30 September 2024	30 September 2023
Compass Arabia Co Ltd	Kingdom of Saudi Arabia	Catering	30%	-

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

	30 September 2024 AED (Unaudited)
Transferred from the Parent	9,717,881
Less: consideration payable (recognised within 'Due to related parties')	<u>(9,785)</u>
Capital contribution	<u>9,708,096</u>

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

8 Investment in a joint venture (continued)

Movement in the joint venture during the period is as follows

	2024 AED (Unaudited)
Acquired during the period	9,717,881
Share of profit *	651,257
At 30 September	10,369,138

The joint venture's summarised financial position is as follows:

	30 September 2024 AED (Unaudited)
Non-current assets	10,533,113
Cash and bank balances	4,695,549
Other current assets (excluding cash)	103,171,518
Financial liabilities (excluding trade payables)	(16,509,104)
Other current liabilities (including trade payables)	(59,856,120)
Other non-current liabilities	(7,471,163)
Net assets	34,563,793
Group's share of net assets	30%
Carrying amount of equity accounted investment	10,369,138

The joint venture's summarised financial performance is as follows:

Statement of profit or loss for the three-month period ended 30 September 2024 *

Revenue	43,654,019
Expenses	(40,353,980)
Depreciation	(598,615)
Interest expense, net	(126,736)
Income tax expense	(403,831)
Profit for the period	2,170,857
Share of profit at 30%	651,257

* The profit sharing from the joint venture recognized in the condensed consolidated interim financial information consists of the operating results of Compass Arabia Co Ltd for the three-month period ended 30 September 2024 subsequent to the share transfer which took place on 30 June 2024.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

9 Inventories

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Food supplies	10,667,780	6,836,158
Operating supplies	<u>2,433,753</u>	<u>2,555,390</u>
	13,101,533	9,391,548
Less: provision for impairment of slow moving inventories	<u>(1,268,879)</u>	<u>(2,572,503)</u>
	<u>11,832,654</u>	<u>6,819,045</u>

Cost of inventories recognised as an expense during the twelve-month period ended 30 September 2024 is AED 496,158,525 (30 September 2023: AED 477,609,083) (Note 17).

10 Trade and other receivables

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Trade receivables	561,375,321	508,266,654
Less: provision for impairment of trade receivables	<u>(14,235,124)</u>	<u>(14,235,124)</u>
	547,140,197	494,031,530
Contract assets	62,720,546	20,567,958
Rebates	-	34,147,304
Prepayments	12,792,525	10,217,259
Other receivables	<u>11,033,668</u>	<u>8,514,173</u>
	<u>633,686,936</u>	<u>567,478,224</u>

The Group has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before entering into a contract with a customer. Out of the total trade receivables balance at the end of the period/year, AED 272,640,836 representing 50% of total trade receivables (30 September 2023: AED 346,598,786 representing 68% of total trade receivables) is due from four major customers. The Group considers these customers to be reputable and creditworthy.

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

10 Trade and other receivables (continued)

Included in the Group's trade receivable balance are debtors with a carrying amount of AED 333,866,063 (30 September 2023: AED 338,227,062) which are past due at the reporting date for which the Group has not recognized a provision for doubtful receivable as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

The movement in the provision for impairment of trade receivables during the period/year was as follows:

	2024 AED (Unaudited)	2023 AED (Unaudited and not reviewed)
At 1 October	14,235,124	17,538,679
Charge during the period/year	-	904,989
Write off	-	(4,208,544)
At 30 September	<u>14,235,124</u>	<u>14,235,124</u>

The total impact of the provision for impairment of financial assets in the profit and loss for the twelve-months ended 30 September 2024 is nil (30 September 2023: AED 904,989).

11 Related party transactions and balances

Related parties comprise the shareholder of the Company, the directors and those enterprises over which the shareholder, 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.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

11 Related party transactions and balances (continued)

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

		30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
<i><u>Entities controlled by Parent</u></i>			
Al Ghazal Transport Company	Purchases	34,059,600	35,406,642
The Ritz-Carlton Abu Dhabi, Grand Canal	Sales	2,759,460	1,117,669
Sunshine Travel & Tours	Purchases	2,446,778	8,441,559
Kempinski Central Avenue	Sales	1,568,046	-
Kempinski The Boulevard	Sales	1,534,716	-
Park Hyatt Abu Dhabi Hotels and Villas	Purchases	1,156,905	78,915
	Purchases &		
Others	Sales	3,511,242	2,088,536
<i><u>Parent</u></i>			
	Purchases &		
Abu Dhabi National Hotels Company PJSC	Sales	7,398,510	1,718,638
<i><u>Joint venture</u></i>			
Compass Arabia Co. Ltd	Loan	4,905,000	-
Transfer of provision for employees' end of service benefits		-	2,951,097
Key management personnel compensation			
Salaries and allowances		9,580,818	8,725,144
Post-employment benefits		554,688	416,890
		<u>10,135,506</u>	<u>9,142,034</u>

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

11 Related party transactions and balances (continued)

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Due from related parties:		
<i><u>Entities controlled/jointly controlled by Parent</u></i>		
Compass Arabia Co. Ltd*	4,939,945	805
Kempinski The Boulevard Hotel	674,544	-
Al Ghazal Transport Company	542,946	114,941
The Ritz-Carlton Abu Dhabi, Grand Canal	530,759	-
Park Hyatt Abu Dhabi Hotels and Villas	281,692	14,131
A D N H Catering L.L.C	-	24,793,797
A D N H Compass L.L.C. SP	-	1,464,506
Others	2,825,657	653,535
	<u>9,795,543</u>	<u>27,041,715</u>
Due to related parties:		
<i><u>Entities controlled by Parent</u></i>		
Al Ghazal Transport Company	16,009,704	16,897,540
Sunshine Travel & Tours	911,088	3,524,797
Others	2,249	964,770
	<u>16,923,041</u>	<u>21,387,107</u>
<i><u>Parent</u></i>		
Abu Dhabi National Hotels Company PJSC	5,862,171	1,790,810
	<u>22,785,212</u>	<u>23,177,917</u>

Balance for Compass Arabia Co. Ltd includes a non-interest-bearing loan of AED 4,905,000 which is receivable on demand and hence classified as a current asset.

12 Cash and bank balances

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Cash in hand	334,119	853,617
Cash at bank	133,619,518	164,843,711
	<u>133,953,637</u>	<u>165,697,328</u>

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

12 Cash and bank balances (continued)

The Group, carried term deposits during the period. These represent deposits during the period with original maturities of less than three months with local banks. The term deposits carried average interest rates of 5% per annum. Finance income recorded during the period amounted to AED 2,943,685 (2023: AED 2,783,853). At the reporting date, all the term deposits had matured.

13 Share capital

	2024 AED (Unaudited)	2023 AED (Unaudited and not reviewed)
<i>Authorised, issued and fully paid</i>		
2,250,000,000 ordinary shares of AED 0.1 each	225,000,000	-
At 1 October	-	-
Issuance of share capital	3,673	-
Increase in share capital	224,996,327	-
At 30 September	225,000,000	-

On 22 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 the period, 61,265,168 additional shares 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 “capital contribution” for the purpose of the listing of shares.

Capital contribution:

The movement of capital contribution during the period was as follows:

	2024 AED (Unaudited)	2023 AED (Unaudited and not reviewed)
At 1 October	20,000,000	20,000,000
Business combination of entities under common control (Note 19)	276,088,627	-
Acquisition of a joint venture from the Parent (Note 8)	9,708,096	-
Increase in share capital (Note 13)	(224,996,327)	-
Additional contribution	61,553,802	-
At 30 September	142,354,198	20,000,000

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

13 Share capital (continued)

- The Group acquired a 100% equity interest in ADNHC Dubai and ADNHC Sharjah entities with a value of identifiable net assets (excluding the consideration paid) of AED 276,088,627 (Note 19) which was recognised as to contributed capital.
- The Group acquired a 30% equity interest in KSA JV with a value of AED 9,708,096 (Note 8) recognised as to contributed capital.
- The Group declared a dividend of AED 211,435,726 (30 September 2023: AED 214,350,828) out of which AED 149,881,924 (30 September 2023: AED 214,350,828) was paid in cash and the balance AED 61,553,802 (30 September 2023: nil) was converted to a capital contribution.
- The Group issued an additional 61,265,165 shares at par value of USD 1 (AED 3.673), of which AED 224,996,327 was transferred from capital contribution and converted into share capital.

14 Lease liabilities

	2024 AED (Unaudited)	2023 AED (Unaudited and not reviewed)
At 1 October	77,971,210	65,514,053
Acquired through business combination (Note 19)	14,182,505	-
Additions during the period/year	6,639,394	45,211,843
Derecognition of lease liabilities	(4,033,115)	-
Accretion of interest	2,540,249	2,784,246
Payments	(35,368,404)	(35,538,932)
At 30 September	<u>61,931,839</u>	<u>77,971,210</u>

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

Non-current	28,353,374	47,584,568
Current	<u>33,578,465</u>	<u>30,386,642</u>
	<u>61,931,839</u>	<u>77,971,210</u>

15 Trade and other payables

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Trade payables	195,334,066	175,227,568
Accrued expenses	158,131,663	181,084,191
Other payables	<u>62,633,631</u>	<u>58,923,182</u>
	<u>416,099,360</u>	<u>415,234,941</u>

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

15 Trade and other payables (continued)

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 Revenues from contracts with costumers

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Catering services	839,881,189	783,531,536
Manpower services	383,997,678	339,679,242
Fixed fee services	106,768,904	157,485,030
Food and beverage	81,042,834	58,966,572
Non-food supplies	16,448,856	17,469,775
Laundry	10,517,377	11,479,485
Shop sales	2,160,087	3,172,733
Other revenues	8,326,075	17,007,827
	<u>1,449,143,000</u>	<u>1,388,792,200</u>
Timing of revenue recognition		
At a point in time	958,376,418	891,627,928
Over time	490,766,582	497,164,272
	<u>1,449,143,000</u>	<u>1,388,792,200</u>

17 Direct costs

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Staff costs	601,016,673	531,907,080
Costs of materials (Note 9)	496,158,525	477,609,083
Amortisation of right-of-use assets (Note 6)	33,785,125	29,519,657
Rent (short term and low value leases)	18,739,793	17,531,273
Maintenance	18,373,914	20,891,702
Transportation	17,261,130	16,752,349
Depreciation of property and equipment (Note 5)	11,796,930	7,566,904
Amortisation of intangible assets (Note 7)	48,334	-
Others	26,742,716	22,992,985
	<u>1,223,923,140</u>	<u>1,124,771,033</u>

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

18 General and administrative expenses

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Staff costs	50,851,203	56,399,071
Software maintenance and support	5,566,761	8,784,481
Amortisation of intangible assets (Note 7)	5,050,683	72,800
Amortisation of right-of-use assets (Note 6)	1,992,853	1,948,848
License fees	1,530,649	4,857,439
Depreciation of property and equipment (Note 5)	1,047,825	598,942
Insurance	570,686	420,000
Others	6,026,263	1,874,301
	<u>72,636,923</u>	<u>74,955,882</u>

19 Transfer of ADNHC Dubai and ADNHC Sharjah to ADNHC Abu Dhabi from Parent

On 11 June 2024 and 26 June 2024, ADNHC PJSC has transferred its 100% equity interest in ADNHC Dubai and ADNHC Sharjah entities, respectively, to ADNHC Abu Dhabi for a total consideration of AED 20,000. This transaction is a common control transaction and the excess of net asset value acquired over the purchase consideration has been recorded as “Capital contribution” within equity in the condensed consolidated interim statement of financial position.

The acquired business contributed revenues of AED 170,100,445 and net profit of AED 11,006,522 to the Group for the period from 1 April 2024 to 30 September 2024. If the transfer occurred on 1 October 2023, the consolidated revenue and consolidated profit after tax for the twelve-month period ended 30 September 2024 would have been AED 335,294,546 and AED 17,152,014, respectively.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

19 Transfer of ADNHC Dubai and ADNHC Sharjah to ADNHC Abu Dhabi from Parent (continued)

The following table summarises the recognised amounts of assets and liabilities:

	31 March 2024 AED (Unaudited)
Assets	
Property and equipment (Note 5)	5,564,926
Right-of-use assets (Note 6)	14,185,758
Intangible assets (including pre-existing goodwill) (Note 7)	288,071,591
Inventories	2,385,097
Trade and other receivables	125,384,600
Cash and bank balances	455,837
	<u>436,047,809</u>
Liabilities	
Provision for employees' end of service benefits	1,674,909
Deferred tax liabilities	17,998,727
Lease liabilities	14,182,505
Trade and other payables	84,795,900
Due to related parties	41,287,141
	<u>159,939,182</u>
Value of identifiable net assets acquired (including pre-existing goodwill)	276,108,627
Consideration payable (recognised within 'due to related parties')	(20,000)
Recorded as capital contribution	<u>276,088,627</u>

Acquired receivables

The value of acquired trade receivables is AED 103,563,786. The gross contractual amount for trade receivables due is AED 120,945,899, with a loss allowance of AED 17,382,113 recognised on acquisition.

Intangible assets transferred from the Parent as part of the business combination under common control to ADNHC Abu Dhabi are as follows:

	31 March 2024 AED (Unaudited)
Customer relationships	200,100,000
Goodwill	87,971,591
	<u>288,071,591</u>

The impact on the condensed consolidated interim statement of cash flows is AED 455,837 representing the cash acquired through business combination as other elements related to this transaction are non-cash transactions.

A D N H Catering plc

Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

20 Income taxes

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

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Current tax	14,242,303	-
Deferred tax	(449,968)	-
	<u>13,792,335</u>	<u>-</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 9%.

Deferred tax liabilities movement during the period:

	Intangible assets AED	Right-of- use assets AED	Lease liabilities AED	Total AED
At 1 October 2023 (Unaudited and not reviewed)	-	-	-	-
Acquired through business combination	18,008,999	(15,250)	4,978	17,998,727
(Charge)/credit during the period	(450,225)	381	(124)	(449,968)
At 30 September 2024 (Unaudited)	<u>17,558,774</u>	<u>(14,869)</u>	<u>4,854</u>	<u>17,548,759</u>

21 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.

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 outstanding 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 2024 and 30 September 2023, there were no shares which were dilutive in nature.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

21 Basic and diluted earnings per share (continued)

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

	30 September 2024 AED (Unaudited)
Earnings attributable to equity holders of the Parent (AED)	139,095,034
Weighted average number of shares in issue	2,250,000,000
Basic and diluted earnings per share (AED)	0.062

The weighted average number of ordinary shares for periods presented have been adjusted for the effects of capitalisation arising from the reorganisation which resulted in the issuance of 2,250,000,000 ordinary shares in June 2024.

22 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.

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 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 and the CODM. Catering services and support services segments' performance is measured based on profit or loss.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

22 Segment information (continued)

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.

For the twelve-month period ended 30 September 2024 (Unaudited)	Catering services AED	Support services AED	Total AED
Revenue from customers			
- Over a period of time	19,384,714	471,381,868	490,766,582
- At a point in time	871,238,821	87,137,597	958,376,418
Total revenues	890,623,535	558,519,465	1,449,143,000
Direct costs	(714,804,689)	(509,118,451)	(1,223,923,140)
Gross profit	175,818,846	49,401,014	225,219,860
General and administrative expenses	(56,041,468)	(16,595,455)	(72,636,923)
Share of profit from joint venture	651,257	-	651,257
Other income, net	176,146	46,049	222,195
Finance income	2,273,328	670,357	2,943,685
Finance costs	(2,644,717)	(867,988)	(3,512,705)
Profit before income tax	120,233,392	32,653,977	152,887,369
Income tax expense			(13,792,335)
Profit for the period			139,095,034

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

22 Segment information (continued)

For the twelve-month period ended 30 September 2023 (Unaudited and not reviewed)	Catering services AED	Support services AED	Total AED
Revenue from customers			
- Over a period of time	34,967,672	462,196,600	497,164,272
- At a point in time	839,900,312	51,727,616	891,627,928
Total revenues	874,867,984	513,924,216	1,388,792,200
Direct costs	(665,289,129)	(459,481,904)	(1,124,771,033)
Gross profit	209,578,855	54,442,312	264,021,167
General and administrative expenses	(60,002,662)	(14,953,220)	(74,955,882)
Reversal for impairment of financial assets	(897,915)	(7,074)	(904,989)
Other income	21,040,823	5,252,650	26,293,473
Other expense	(2,395,398)	(622,252)	(3,017,650)
Finance income	2,209,810	574,043	2,783,853
Finance costs	(2,210,122)	(574,124)	(2,784,246)
Profit for the period	167,323,391	44,112,335	211,435,726

Revenue of approximately AED 273,852,734 (30 September 2023: AED 230,053,955) is derived from one customer. This revenue is attributed to catering services only.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

23 Contingent liabilities

	30 September 2024 AED (Unaudited)	30 September 2023 AED Unaudited and not reviewed)
Bank guarantees	<u>202,113,795</u>	<u>211,066,462</u>
Within one year	3,120,007	12,721,402
Between one and two years	14,043,676	12,838,997
Above two years	<u>184,950,112</u>	<u>185,506,063</u>
	<u>202,113,795</u>	<u>211,066,462</u>

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

Commitments

The estimated commitments contracted at 30 September 2024 amounts to AED 43.1 million (30 September 2023: AED 12.2 million).

24 Fair value measurement

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

Fair value hierarchy levels 1 to 3 are 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).

The carrying values of the Group's financial assets and financial liabilities as at 30 September 2024 are not materially different from their fair values.

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Notes to condensed consolidated interim financial information for the twelve-month period ended 30 September 2024 (continued)

25 Non-cash transactions

Material non-cash transactions during the twelve-month period ended 30 September 2024 and 30 September 2023 are as follows:

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Acquisition of subsidiaries (net assets acquired through business combination excluding cash and bank balances)	275,632,790	-
Acquisition of a joint venture (Note 8)	9,708,096	-
Right-of-use assets (Note 6)	6,639,394	42,791,680
Lease liabilities (Note 14)	6,639,394	45,211,843
Increase in share capital (Note 13)	224,996,327	-
Conversion of dividend declared to capital contribution (Note 13)	61,553,802	-
Dividends declared but not paid	-	214,350,828
Transfer of provision for employees' end of service benefits from a related party	-	2,951,097

26 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	30 September 2024 AED (Unaudited)	30 September 2023 AED (Unaudited and not reviewed)
Financial assets:		
Trade and other receivables	620,894,411	557,260,965
Due from related parties	9,795,543	27,041,715
Cash and bank balances	133,953,637	165,697,328
	<u>764,643,591</u>	<u>750,000,008</u>
Financial liabilities		
Trade and other payables	416,099,360	415,234,941
Due to related parties	22,785,212	23,177,917
Lease liabilities	61,931,839	77,971,210
	<u>500,816,411</u>	<u>516,384,068</u>

For the purpose of the financial instrument's disclosure, non-financial assets have been excluded from 'trade and other receivables'.