Foodco National Foodstuff PJSC

Directors' report, review report and condensed consolidated interim financial information for the six-month period ended 30 June 2026 (unaudited)

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Foodco National Foodstuff PJSC

Directors' report

for the six-month period ended 30 June 2026

The Directors have pleasure in submitting their report and the condensed consolidated interim financial information for the six-month period ended 30 June 2026.

Principal activities

The principal activities of the Company and its subsidiaries (together, the "Group") are primarily engaged in the import, export, and distribution of food and household products, as well as the catering and facility management services, investment in commercial enterprises, and restaurant management in the United Arab Emirates.

Financial results

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

Going concern basis

The Directors has reasonable expectation that the Group has adequate resources and support to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the condensed interim consolidated financial information for the six-month period ended 30 June 2026.

For and on behalf of the Directors

6 August 2026

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Chairman of the Board

Review report on condensed consolidated interim financial information

To the Board of Directors of Foodco National Foodstuff PJSC

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 2026, 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.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers Limited Partnership – Abu Dhabi

6 August 2026

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Murad Alnsour
Registered Auditor Number 1301
Abu Dhabi, United Arab Emirates

PricewaterhouseCoopers Limited Partnership -Abu Dhabi
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Foodco National Foodstuff PJSC

Condensed consolidated interim statement of financial position

	Note	As at 30 June 2026 AED (Unaudited)	As at 31 December 2025 AED (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	97,379,824	97,155,073
Intangible assets		36,958	61,044
Right-of-use assets		5,808,231	6,078,218
Investments held at fair value through other comprehensive income	4	3,566,902	3,377,173
		106,791,915	106,671,508
Current assets			
Inventories	6	17,227,870	22,230,281
Trade receivables	7	11,863,813	5,517,140
Other current assets	8	4,128,669	3,350,684
Due from related parties	12	127,305,194	139,935,647
Cash and cash equivalents	9	10,060,275	9,415,116
		170,585,821	180,448,868
Total assets		277,377,736	287,120,376
EQUITY AND LIABILITIES			
Equity			
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		(380)	(190,109)
Accumulated losses		(91,991,008)	(84,931,712)
Net equity		164,479,406	171,348,973
LIABILITIES			
Non-current liabilities			
Bank borrowings	11	32,913,425	37,301,909
Provision for employees' end of service benefits		2,078,259	2,037,991
Lease liabilities		5,760,786	5,973,876
		40,752,470	45,313,776

Foodco National Foodstuff PJSC

Condensed consolidated interim statement of financial position (continued)

	Note	As at 30 June 2026 AED (Unaudited)	As at 31 December 2025 AED (Audited)
Current liabilities			
Bank borrowings	11	8,776,968	8,776,968
Trade and other payables	10	11,937,865	7,434,997
Provisions	13	1,299,745	6,559,825
Due to related parties	12	49,361,205	46,915,760
Lease liabilities		770,077	770,077
		72,145,860	70,457,627
Total liabilities		112,898,330	115,771,403
Total equity and liabilities		277,377,736	287,120,376

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 6 August 2026 and 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 2026 AED (Unaudited)	2025 AED (Unaudited) *(restated*)*
Revenue from contracts with customers	14	24,999,816	27,338,278
Cost of sales		(22,618,731)	(24,699,286)
Gross profit		2,381,085	2,638,992
General and administrative expenses		(3,945,904)	(4,523,680)
Selling and marketing expenses		(3,951,875)	(5,004,294)
Provision for expected credit loss on trade receivables, net	7	(209,423)	(74,196)
Other income		213,651	207,895
Operating loss		(5,512,466)	(6,755,283)
Finance costs		(1,546,830)	(272,860)
Loss before income tax		(7,059,296)	(7,028,143)
Income tax	17	-	-
Loss for the period		(7,059,296)	(7,028,143)
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss:			
Changes in the fair value of investments held at fair value through other comprehensive income		189,729	(379,458)
Total comprehensive loss for the period		(6,869,567)	(7,407,601)
Basic and diluted loss per share	16	(0.025)	(0.025)

*Refer to Note 19 for restatements.

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	Net equity AED
At 1 January 2025 (Audited) ***(restated*)***	280,000,000	2,802,579	(26,331,785)	(266,001)	(130,385,696)	125,819,097
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)
At 30 June 2025 (Unaudited) ***(restated*)***	280,000,000	2,802,579	(26,331,785)	(645,459)	(137,413,839)	118,411,496
At 1 January 2026 (Audited)	280,000,000	2,802,579	(26,331,785)	(190,109)	(84,931,712)	171,348,973
Loss for the period	-	-	-		(7,059,296)	(7,059,296)
Other comprehensive income for the period	-	-	-	189,729	-	189,729
Total comprehensive loss for the period	-	-	-	189,729	(7,059,296)	(6,869,567)
At 30 June 2026 (Unaudited)	280,000,000	2,802,579	(26,331,785)	(380)	(91,991,008)	164,479,406

*Comparative accumulated losses have been restated to reflect the correction of a prior period error recognised in the Group's consolidated financial statements for the year ended 31 December 2025. Refer to Note 33 to the consolidated financial statements for the year ended 31 December 2025 for details regarding the nature and impact of the restatement.

Foodco National Foodstuff PJSC

Condensed consolidated interim statement of cash flows

	Note	Six-month period ended 30 June 2026 AED (Unaudited)	2025 AED (Unaudited)
Cash flows from operating activities			
Loss before income tax		(7,059,296)	(7,028,143)
Adjustments for:			
Depreciation of property and equipment	5	2,817,045	1,161,397
Depreciation of right of use assets		269,986	209,879
Amortisation of intangible assets		24,086	26,982
Provision for slow moving inventories	6	229,000	47,387
Provision for expected credit loss on trade receivables, net	7	209,423	74,196
Provision for employees' end of service benefits		175,912	175,205
Gain on disposal of property and equipment		-	(558)
Gain on disposal right of use assets		-	(11,572)
Dividend income		(189,875)	(189,729)
Finance costs		1,546,830	272,860
Net cash flows used in operating activities before payment of employees' end of service benefits and changes in working capital		(1,976,889)	(5,262,096)
Payment of employees' end of service benefits		(135,644)	(53,159)
Changes in working capital:			
Inventories		4,773,411	(9,195,868)
Trade receivables		(6,556,096)	893,792
Other current assets		(777,985)	(1,788,518)
Due from related parties		12,630,453	21,853,187
Due to related parties		2,445,445	3,142,581
Trade and other payables		(757,212)	(4,903,364)
Net cash flows generated from operating activities		9,645,483	4,686,555
Cash flows from investing activities			
Payment for purchases of property and equipment		(3,041,796)	(5,667,428)
Dividend received		189,875	189,729
Proceeds from disposal of property and equipment		-	3,699
Net cash used in investing activities		(2,851,921)	(5,474,000)

Foodco National Foodstuff PJSC

Condensed consolidated interim statement of cash flows (continued)

		Six-month period ended 30 June	
	Note	2026 AED (Unaudited)	2025 AED (Unaudited)
Cash flows from financing activities			
Repayment of bank borrowings	11	(4,388,484)	(2,194,242)
Payment of lease liabilities		(454,410)	(394,631)
Finance cost paid		(1,305,509)	(34,825)
Net cash used in financing activities		(6,148,403)	(2,623,698)
Net change in cash and cash equivalents		645,159	(3,411,143)
Cash and cash equivalents at beginning of the period		9,415,116	9,202,335
Cash and cash equivalents at end of the period	9	10,060,275	5,791,192

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2026

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 principal activities of the Company and its subsidiaries (together, the "Group") are primarily engaged in the import, export, and distribution of food and household products, as well as the catering and facility management services, investment in commercial enterprises, and restaurant 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:

			Percentage of ownership	
Name of subsidiary	**Principal activities**	**Country of incorporation**	**30 June 2026**	**31 December 2025**
Abu Dhabi National Foodstuff Co LLC (ADNF)	Wholesale and distribution of foodstuff	UAE	100%	100%
5PL Logistics Solutions LLC	Shipment, clearance and warehousing services	UAE	100%	100%
National Oasis Foodstuff Company LLC	Packing of foodstuff	UAE	100%	100%

Going concern basis of accounting

The Group has incurred a total comprehensive loss of AED 6,869,567 for the period ended 30 June 2026 (30 June 2025: AED 7,407,601) however, as of that date, the Group has net current assets of AED 98,439,961 and equity balance of AED 164,479,406.

Based on the financial support of the major shareholder, the Directors have reasonable expectation that the Group has adequate resources and support to continue its operational existence for the foreseeable future and for a period of at least 12 months from the date of the approval of these condensed interim consolidated financial information. For this reason, the Group continues to adopt the going concern basis in preparing the condensed interim consolidated financial information for the period ended 30 June 2026.

2 Application of new and revised IFRS Accounting Standards

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

Except for the adoption of new and amended standards as set out below, the accounting policies used in the preparation of this condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

(a) clarify the requirement for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.

Annual Improvements to IFRS Accounting Standards – Volume 11 (effective 1 January 2026)

The IASB has made the following improvements in September 2024:

- IFRS 1, 'First-time Adoption of International Financial Reporting' – to improve consistency between IFRS 1 and IFRS 9, 'Financial Instruments', in relation to the requirements for hedge accounting, and to improve the understandability of IFRS 1;
- IFRS 7, 'Financial Instruments: Disclosures' – to improve consistency in the language used in IFRS 7 with the language used in IFRS 13, 'Fair Value Measurement';
- IFRS 9 – to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished, and to address an inconsistency between IFRS 9 and IFRS 15, 'Revenue from Contracts with Customers', in relation to the term 'transaction price';
- IFRS 10, 'Consolidated Financial Statements' – to clarify the requirements in relation to determining de facto agents of an entity; and

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)

Annual Improvements to IFRS Accounting Standards – Volume 11 (effective 1 January 2026) (continued)

- IAS 7, 'Statement of Cash Flows' – to replace the term 'cost method' with 'at cost', since the term is no longer defined in IFRS Accounting Standards.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026)

In December 2024, the IASB issued targeted amendments to IFRS 7 and IFRS 9 to allow entities to better reflect nature-dependent electricity contracts in the financial statements. The amendments:

(a) clarify the application of the 'own-use' criteria to nature-dependent electricity contracts;
(b) permit hedge accounting if these contracts are used as hedging instruments; and
(c) add new disclosure requirements to enable users of financial statements to better understand the effect of these contracts on an entity's financial performance and cash flows.

Other than the above, there are no other material IFRS Accounting Standards and amendments that were effective for the first time for the financial period beginning on or after 1 January 2026. The application of these amendments to IFRS Accounting Standards has not had any material impact on the amounts reported for the current period but may affect the accounting for the Group's future transactions or arrangements.

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

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

(a) Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency (annual periods beginning on or after 1 January 2027);
(b) IFRS 18, 'Presentation and Disclosure in Financial Statements' (annual periods beginning on or after 1 January 2027);
(c) IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective for annual periods beginning on or after 1 January 2027); and
(d) IFRS 20, 'Regulatory Assets and Regulatory Liabilities' (effective for annual periods beginning on or after 1 January 2029).

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

3 Material accounting policies

Basis of preparation

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

The condensed consolidated interim financial information has been prepared in United Arab Emirates Dirham ("AED"), which is the functional and presentation currency of the Company/Group.

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

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 audited consolidated financial statements for the year ended 31 December 2025. However, selected explanatory notes as shown below are included to explain events and transactions that are significant to the understanding of the changes in the Group's financial position and performance since the last consolidated financial statements. The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2025.

In addition, results for the six-month ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

4 Fair value of financial instruments

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.

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 measurements 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.

4 Fair value of financial instruments (continued)

	Level 1 AED	**Level 2** AED	**Level 3** AED	**Total** AED
30 June 2026 (Unaudited)				
Investments held at fair value through other comprehensive income	3,566,902	-	-	3,566,902
31 December 2025 (Audited)				
Investments held at fair value through other comprehensive income	3,377,173	-	-	3,377,173

The carrying values of the Group's other financial assets and financial liabilities as at 30 June 2026 are not materially different from their fair values.

5 Property and equipment

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Property and equipment at net carrying amount	97,379,824	97,155,073

Movement in property and equipment is as follows:

	2026 AED (Unaudited)	2025 AED (Audited)
At 1 January	97,155,073	92,188,446
Additions during the period/year	3,041,796	7,447,314
Disposals during the period/year	-	(1,477,911)
Depreciation charge for the period/year, net of disposal	(2,817,045)	(1,002,776)
At 30 June/31 December	97,379,824	97,155,073

During the period ended 30 June 2026, a warehouse under construction was transferred from Capital work in progress to buildings.

The Group's property and equipment with a carrying amount of AED 91,107,295 (31 December 2025: AED 93,376,943) is pledged with the bank against secured term loans.

6 Inventories

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Goods for resale	15,770,008	21,206,305
Consumables	1,737,562	1,251,742
Less: provision for slow moving inventories	(279,700)	(227,766)
	17,227,870	22,230,281

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

	2026 AED (Unaudited)	2025 AED (Audited)
At 1 January	227,766	112,470
Charge for the period/year	229,000	668,931
Written off during the period/year	(177,066)	(553,635)
At 30 June/31 December	279,700	227,766

7 Trade receivables

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Trade receivables	20,553,905	14,359,831
Less: allowance for expected credit losses on trade receivables	(8,690,092)	(8,842,691)
	11,863,813	5,517,140

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

	2026 AED (Unaudited)	2025 AED (Audited)
At 1 January	8,842,691	28,257,290
Charge for the period/year	268,598	-
Reversal during the period/year	(59,175)	(3,436,889)
Written off during the period/year	(362,022)	(15,977,710)
At 30 June/31 December	8,690,092	8,842,691

8 Other current assets

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Prepayments	3,254,465	2,482,288
Advances to suppliers	1,880,523	1,944,234
Other receivables	875,952	877,555
Less: allowance for expected credit losses on other current assets	(1,882,271)	(1,953,393)
	4,128,669	3,350,684

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

	2026 AED (Unaudited)	2025 AED (Audited)
At 1 January	1,953,393	1,953,393
Written off during the period/year	(71,122)	-
As 30 June/31 December	1,882,271	1,953,393

9 Cash and cash equivalents

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Cash in hand	58,854	54,525
Cash in banks	10,001,421	9,360,591
	10,060,275	9,415,116

10 Trade and other payables

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Trade payables	3,358,880	1,335,424
Accrued expenses	5,338,195	3,194,773
Advances from customers	370,744	68,898
Retention payable	2,625,800	2,625,800
Other payables	244,246	210,102
	11,937,865	7,434,997

11 Bank borrowings

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Loans and borrowings	41,690,393	46,078,877

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

	2026 AED (Unaudited)	2025 AED (Audited)
At 1 January	46,078,877	52,721,443
Repayments during the period/year	(4,388,484)	(6,642,566)
At 30 June/31 December	41,690,393	46,078,877

The bank borrowings are repayable as follows:

Current portion	8,776,968	8,776,968
Non-current portion	32,913,425	37,301,909
	41,690,393	46,078,877

12 Related party transactions 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:

12 Related party transaction and balances (continued)

12.1 Due from related parties

	Nature of relationship	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Hily Holding PJSC	Parent company	117,997,190	130,882,590
Green Motors Sole Proprietorship LLC	Affiliate	9,007,007	8,809,743
Others	Others	300,997	243,314
		127,305,194	139,935,647

12.2 Due to related parties

	Nature of relationship	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Dana Plaza Real Estate L.L.C	Common ownership	48,922,309	46,807,732
Others		438,896	108,028
		49,361,205	46,915,760

12.3 Transactions with related parties

	Six-month period ended 30 June	
	2026 AED (Unaudited)	2025 AED (Unaudited)
Sales	575,081	1,628,811
Purchases	1,478,884	372,821

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

	Six-month period ended 30 June	
	2026 AED (Unaudited)	2025 AED (Unaudited)
Key management compensation	1,311,950	901,962
Number of key management personnel	2	2

13 Provisions

The Group is involved in litigation arising in the ordinary course of business. At each reporting date, management assesses outstanding legal matters in consultation with the legal counsel and recognises provisions or discloses contingent liabilities in accordance with IAS 37, where appropriate. Provisions are recognised when an outflow of resources is probable and can be reliably estimated, based on management's best estimate. As at 30 June 2026, the Group recognised a provision of AED 1,299,745 relating to ongoing legal disputes.

The movement in provisions during the period is as follows:

	2026 AED (Unaudited)	2025 AED (Audited)
At 1 January	6,559,825	-
Charge for the period/year	-	6,559,825
Utilised during the period/year	(5,260,080)	-
At 30 June/31 December	1,299,745	6,559,825

Subsequent to period end 30 June 2026, the matter involving the above provision has been settled.

14 Revenue from contracts with customers

The Group generates revenue primarily from the sale of food stuff and rendering of services against management of stock.

	Six-month period ended 30 June	
	2026 AED (Unaudited)	2025 AED (Unaudited) (Restated)
Billings for goods sold	16,368,796	27,069,659
Less: trade spend	(1,123,114)	(4,035,130)
Revenue from sale of goods	15,245,682	23,034,529
Freight forwarding and logistics services	9,754,134	4,303,749
	24,999,816	27,338,278

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Revenue recognised at a point in time	15,245,682	23,034,529
Revenue recognsied over a period of time	9,754,134	4,303,749
	24,999,816	27,338,278

Unsatisfied contracts

There are no unsatisfied performance obligations from contracts with customers as at 30 June 2026 for the Group. The transaction price is allocated to each of the performance obligations based on the stand-alone selling prices pertaining to each of those performance obligations.

14 Revenue from contracts with customers (continued)

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	
	2026 AED (Unaudited)	2025 AED (Unaudited) (Restated)
United Arab Emirates	23,541,553	20,939,606
Kuwait	2,130,679	1,863,702
Bahrain	-	2,086,072
Saudi Arabia	-	1,793,232
Oman	450,698	4,690,796
Less: trade spend	(1,123,114)	(4,035,130)
	24,999,816	27,338,278

15 Commitments and contingent liabilities

(a) Contingent liabilities

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

	30 June 2026 AED (Unaudited)	31 December 2025 AED (Audited)
Bank guarantees	1,565,992	1,565,992

16 Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of shares outstanding during the period.

The following reflects the loss and share data used in the basic and diluted earnings per share computations:

	Six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Loss for the period attributable to the owners of the company (AED)	(7,059,296)	(7,028,143)
Weighted-average number of ordinary shares	280,000,000	280,000,000
Basic and diluted loss per share (AED)	(0.025)	(0.025)

17 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 it tax losses as these are assessed based on the tax group position.

18 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 Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

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

(i) Wholesale and distribution of food product "(Trading)".
(ii) Marine, air and land shipment services along with management and operation of store and warehouses ("Freight forwarding, logistics and storage"); and
(iii) Head office

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

Information regarding these segments is presented below:

Six-month period ended 30 June 2026 (Unaudited)

	Trading AED	**Logistics and storage** AED	**Head office** AED	**Eliminations** AED	**Total** AED
Revenues					
- Sale of Goods	15,245,682	-	-		15,245,682
- Freight forwarding and storage services	-	11,336,195	-	(1,582,061)	9,754,134
Loss for the period	(4,147,514)	(2,846,378)	(65,404)	-	(7,059,296)

18 Segment information (continued)

Six-month period ended 30 June 2025 (Unaudited)

	Trading AED	**Logistics and storage** AED	**Head office** AED	**Eliminations** AED	**Total** AED
Revenues					
- Sale of Goods	23,034,529	-	-	-	23,034,529
- Fright forwarding and storage services	-	6,817,020	-	(2,513,271)	4,303,749
Loss for the period	(1,550,255)	(5,355,063)	(122,825)	-	(7,028,143)

The segment assets and liabilities are as follows:

As at 30 June 2026 (Unaudited)

	Trading AED	**Freight forwarding and storage** AED	**Others** AED	**Eliminations** AED	**Total** AED
Assets	123,981,572	128,645,974	24,750,190	-	277,377,736
Liabilities	(5,303,028)	(104,269,430)	(3,325,872)	-	(112,898,330)

As at 31 December 2025 (Audited)

Assets	52,923,621	210,457,465	23,739,290	-	287,120,376
Liabilities	(70,741,348)	(42,590,766)	(2,439,289)	-	(115,771,403)

19 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 to adjust prior period condensed consolidated interim statement of profit or loss and other comprehensive income for six-month period ended 30 June 2025. The note below sets out the details of adjustment and the line items in the condensed consolidated interim statement of profit or loss and other comprehensive income.

19 Restatement in comparative information (continued)

In the comparatives of the condensed consolidated interim statement of profit or loss and other comprehensive income, certain selling, distribution and promotional expenditures incurred with distributors were incorrectly classified as cost of sales in prior period. In accordance with IFRS 15 *Revenue from Contracts with Customers*, amounts representing consideration payable to customers (including rebates, discounts and slotting or listing fees) amounting to AED 4,035,130 have now been recognised as a reduction of revenue, while promotional and advertising expenditures that represent the receipt of distinct services amounting to AED 1,189,478 have now been classified as selling and marketing expenses.

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

Condensed consolidated interim statement of profit or loss and other comprehensive income as at 30 June 2025.

In AED	**As previously reported**	**Adjustment**	**30 June 2025 as restated**
Revenue from contracts with customers	31,373,408	(4,035,130)	27,338,278
Cost of sales	(29,923,894)	5,224,608	(24,699,286)
Gross profit	**1,449,514**	**1,189,478**	**2,638,992**
Selling and marketing expenses	(3,814,816)	(1,189,478)	(5,004,294)

The above restatement has no impact on any other primary statements.

20 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.

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 2025. 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 2025.

20 Use of judgements and estimates (continued)

Geopolitical conflict in the region

Geopolitical tensions and military escalations in parts of the Middle East increased uncertainty in the regional economic environment during the period ended 30 June 2026. The evolving situation has caused some disruption to business and economic activity across the region, including the UAE.

The Group's operations continue as normal with some temporary disruption, however it remains operationally and financially sound. Recent regional developments have had no material impact on the Group's business, liquidity, or financial position, nor on any critical estimates or judgements.

The Group will continue to monitor the situation and provide updates if material developments arise.

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 quarter of the year.