

Abu Dhabi National Hotels Company PJSC

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

Abu Dhabi National Hotels Company PJSC

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

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Review report on the condensed consolidated interim financial information to the Board of Directors of Abu Dhabi National Hotels Company PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Abu Dhabi National Hotels Company PJSC (the 'Company') and its subsidiaries (the 'Group') as at 30 September 2025 and the related condensed consolidated interim statements of profit or loss, comprehensive income for the three-month and nine-month periods then ended, and condensed consolidated interim statements of changes in equity and cash flows for the nine-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with 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
13 November 2025


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Nizar Jichi
Registered Auditor Number 5596
Abu Dhabi, United Arab Emirates

PricewaterhouseCoopers Limited Partnership-Abu Dhabi
Al Khatem Tower, Abu Dhabi Global Market, 25 Floor
PO Box: 45263, Abu Dhabi-United Arab Emirates
T: +971 2 694 6800

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Condensed consolidated interim statement of financial position

		As at	
		30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Note			
ASSETS			
Non-current assets			
Property and equipment	5	9,747,441	9,796,986
Right-of-use assets	6	31,741	33,887
Investment in associates	7	17,600	18,176
Investment in joint ventures	8	179,636	213,971
Financial assets at fair value through other comprehensive income	9	21,179	21,179
Intangible assets	10	1,137,250	1,134,489
Franchise fee		697	792
		<u>11,135,544</u>	<u>11,219,480</u>
Current assets			
Inventories		29,353	26,152
Trade and other receivables	11	1,089,469	857,853
Financial assets at fair value through profit or loss	12	311,870	401,788
Term deposits	13	417,496	403,307
Cash and bank balances	14	407,445	571,072
		<u>2,255,633</u>	<u>2,260,172</u>
Total assets		<u>13,391,177</u>	<u>13,479,652</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	1,260,000	1,260,000
Statutory and optional reserves	16	1,000,000	1,000,000
Own shares	17	(69,248)	(114,001)
Asset revaluation reserve	18	5,417,347	5,417,347
Retained earnings		2,277,786	1,978,285
Proposed dividends	15	-	567,000
Capital and reserves attributable to equity holders of the Parent		<u>9,885,885</u>	<u>10,108,631</u>
Non-controlling interests		<u>504,908</u>	<u>452,614</u>
Total equity		<u>10,390,793</u>	<u>10,561,245</u>
LIABILITIES			
Non-current liabilities			
Bank borrowings	19	834,429	998,451
Provision for employees' end of service benefits		160,669	153,505
Deferred income tax liabilities	26	67,529	70,162
Lease liabilities	20	18,315	15,578
		<u>1,080,942</u>	<u>1,237,696</u>
Current liabilities			
Bank borrowings	19	967,967	697,967
Current tax liabilities	26	33,070	42,325
Lease liabilities	20	19,302	24,894
Trade and other payables	21	899,103	915,525
		<u>1,919,442</u>	<u>1,680,711</u>
Total liabilities		<u>3,000,384</u>	<u>2,918,407</u>
Total equity and liabilities		<u>13,391,177</u>	<u>13,479,652</u>

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

The condensed consolidated interim financial information was authorised and approved by the Board of Directors for issuance on 13 November 2025.

Khalaf Sultan Rashed
Saeed Al Dhaheri
Chairman of the Board

Sheikh Ahmed Mohammed
Sultan Suroor Aldhahiri
Vice Chairman of the
Board and Managing Director

Khalid Anib
Chief Executive Officer

Rami Naim
Chief Financial Officer

The notes on pages 7 to 36 are an integral part of this condensed consolidated interim financial information. (2)

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Condensed consolidated interim statement of profit or loss

Note	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Revenues from contracts with customers	716,606	694,495	2,443,857	1,921,394
Cost of services	(622,930)	(572,587)	(1,907,530)	(1,535,464)
Gross profit	<u>93,676</u>	<u>121,908</u>	<u>536,327</u>	<u>385,930</u>
General and administrative expenses	(49,405)	(74,634)	(163,936)	(112,285)
Net impairment loss of financial assets	(1,714)	348	(25,908)	(11,710)
Gain on previously held equity interest in joint venture	25	13,169	-	13,169
Fair value gain on financial assets at FVTPL	12	3,294	-	10,082
Other income	23	<u>19,906</u>	<u>1,572</u>	<u>33,675</u>
Operating profit	<u>78,926</u>	<u>49,194</u>	<u>403,409</u>	<u>1,249,676</u>
Finance income	5,176	329	15,619	1,074
Finance costs	(19,160)	(26,447)	(65,308)	(86,030)
Finance costs-net	<u>(13,984)</u>	<u>(26,118)</u>	<u>(49,689)</u>	<u>(84,956)</u>
Share of profit from associates	7	248	270	1,227
Share of profit from joint ventures	8	<u>7,898</u>	<u>8,441</u>	<u>22,784</u>
Profit for the period before tax	<u>73,088</u>	<u>31,787</u>	<u>377,731</u>	<u>1,198,962</u>
Income tax expense	26	(3,164)	(1,545)	(29,338)
Profit for the period	<u>69,924</u>	<u>30,242</u>	<u>348,393</u>	<u>1,180,944</u>
Attributable to:				
Equity holders of the Parent		52,781	30,220	305,798
Non-controlling interests		<u>17,143</u>	<u>22</u>	<u>42,595</u>
		<u>69,924</u>	<u>30,242</u>	<u>348,393</u>
Basic and diluted earnings per share attributable to ordinary equity holders of the Parent (AED)	27	<u>0.004</u>	<u>0.002</u>	<u>0.024</u>
				<u>0.095</u>

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Condensed consolidated interim statement of comprehensive income

Note	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Profit for the period	69,924	30,242	348,393	1,180,944
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss</i>				
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	69,924	30,242	348,393	1,180,944
Total comprehensive income is attributable to:				
Equity holders of the Parent	52,781	30,220	305,798	1,180,830
Non-controlling interests	17,143	22	42,595	114
	69,924	30,242	348,393	1,180,944

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Condensed consolidated interim statement of changes in equity

	Attributable to equity holders of the Parent										Total equity AED'000	
	Share capital AED'000	Statutory and optional reserves AED'000	Own shares AED'000	Foreign currency			Retained earnings AED'000	Proposed dividends AED'000	Total AED'000	Non-controlling interests AED'000		
				Asset revaluation reserve AED'000	translation reserve AED'000	reserve AED'000						
At 1 January 2024 (Audited)	1,200,000	1,000,000	(83,566)	5,420,257	(289)	991,773	300,000	8,828,175	2,262	8,830,437		
Profit for the period	-	-	-	-	-	1,180,830	-	1,180,830	114	1,180,944		
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the period	-	-	-	-	-	1,180,830	-	1,180,830	114	1,180,944		
Transactions with non-controlling interest	-	-	-	-	-	-	-	-	(657)	(657)		
Transactions with owners:												
Purchase of own shares	-	-	(38,419)	-	-	-	-	(38,419)	-	(38,419)		
Transfer of revaluation reserve to retained earnings on disposal of property and equipment (Note 18)	-	-	-	(2,910)	-	2,910	-	-	-	-		
Adjustment	-	-	-	-	289	(289)	-	-	-	-		
Bonus shares	60,000	-	-	-	-	-	(60,000)	-	-	-		
Dividends (Note 15)	-	-	-	-	-	-	(240,000)	(240,000)	-	(240,000)		
At 30 September 2024 (Unaudited)	<u>1,260,000</u>	<u>1,000,000</u>	<u>(121,985)</u>	<u>5,417,347</u>	<u>-</u>	<u>2,175,224</u>	<u>-</u>	<u>9,730,586</u>	<u>1,719</u>	<u>9,732,305</u>		
Balance at 1 January 2025 (Audited)	1,260,000	1,000,000	(114,001)	5,417,347	-	1,978,285	567,000	10,108,631	452,614	10,561,245		
Profit for the period	-	-	-	-	-	305,798	-	305,798	42,595	348,393		
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the period	-	-	-	-	-	305,798	-	305,798	42,595	348,393		
Transactions with owners:												
Own shares	-	-	35,212	-	-	-	-	35,212	-	35,212		
Non-controlling interest on acquisition of a subsidiary (Note 26)	-	-	-	-	-	-	-	-	33,688	33,688		
Other movement	-	-	9,541	-	-	(6,297)	-	3,244	(3,244)	-		
Dividends (Note 15)	-	-	-	-	-	-	(567,000)	(567,000)	(20,745)	(587,745)		
At 30 September 2025 (Unaudited)	<u>1,260,000</u>	<u>1,000,000</u>	<u>(69,248)</u>	<u>5,417,347</u>	<u>-</u>	<u>2,277,786</u>	<u>-</u>	<u>9,885,885</u>	<u>504,908</u>	<u>10,390,793</u>		

The notes on pages 7 to 36 are an integral part of this condensed consolidated interim financial information.

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Condensed consolidated interim statement of cash flows

Note	Nine-month period ended 30 September		
	2025		2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	
Cash flows from operating activities			
Profit for the period before tax	377,731	1,198,962	
Adjustments for:			
Depreciation of property and equipment	5 194,816	196,888	
Depreciation of right-of-use assets	6 19,095	27,525	
Share of profit from associates	7 (1,227)	(1,238)	
Share of profit from joint ventures	8 (22,784)	(33,004)	
Provision for impairment of financial assets		25,908	11,710
Reversal of provision for slow moving inventories		(16)	-
Provision for employees' end of service benefits		30,480	13,295
Gain on disposal of property and equipment	23 (16,445)	(64,356)	
Fair value gain on financial assets carried at fair value through profit or loss		(10,082)	-
Finance costs		65,308	86,030
Finance income		(15,619)	(1,074)
Fair value gain on retained equity interest in joint venture	8 (13,169)	(916,409)	
Bargain purchase	23 (4,290)	-	
Amortisation of intangible assets	10 30,984	20,445	
Amortisation of franchise fee		95	246
Operating cash flows before employees' end of service benefits payment and changes in working capital		660,785	539,020
Payment of employees' end of service benefits		(23,316)	(6,609)
Changes in working capital:			
Inventories		(3,185)	(595)
Trade and other receivables		(194,009)	115,466
Trade and other payables		(73,498)	(261,499)
Net cash flow generated from operating activities		366,777	385,783
Cash flows from investing activities			
Purchase of property and equipment	5 (146,702)	(78,275)	
Proceeds from disposal of property and equipment		10,017	89,246
Disposal of financial assets at FVTPL	12 100,000	-	
Dividend received from associates	7 1,803	1,052	
Dividend received from joint ventures	8 45,212	56,753	
Payment for acquisition of subsidiaries, net of cash acquired		(2,137)	76,653
Payment for acquisition of a joint venture	8 -	(30,000)	
Interest received		1,040	1,074
Net cash flow generated from investing activities		9,233	116,503
Cash flows from financing activities			
Proceeds from bank borrowings		983,997	686,313
Repayment of bank borrowings		(871,675)	(814,746)
Purchase of own shares, net		-	(38,419)
Dividend paid		(567,000)	(240,000)
Principal elements of lease payments		(19,651)	(24,287)
Transactions with non-controlling interest		-	(657)
Interest paid		(65,308)	(86,030)
Net cash flow used in financing activities		(539,637)	(517,826)
Net decrease in cash and cash equivalents		(163,627)	(15,540)
Cash and cash equivalents at the beginning of the period		571,072	377,168
Cash and cash equivalents at the end of the period	14	407,445	361,628
Non-cash transactions:			
Own shares		35,212	-
Right-of-use assets	6 11,056	-	
Lease liabilities	20 11,056	-	

Abu Dhabi National Hotels Company PJSC

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

1 General information

Abu Dhabi National Hotels Company PJSC (the “Company”), a public shareholding company, was incorporated in Abu Dhabi, United Arab Emirates (“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. The Company’s shares are listed on Abu Dhabi Securities Exchange. The address of its registered office is P.O. Box 46806, Abu Dhabi, United Arab Emirates.

The Group owns twelve hotels within the UAE (Radisson Blu Abu Dhabi, Radisson Blu Al Ain, Abu Dhabi Sheraton Hotel, Le Meridien Abu Dhabi, Sofitel Hotel – Dubai Jumeirah Beach, Park Hyatt Abu Dhabi Hotel and Villas, Ritz Carlton Abu Dhabi Grand Canal, Kempinski Central Avenue Hotel LLC, Kempinski The Boulevard Hotel LLC, MDD Hotel LLC, VDD Hotel LLC and Dubai Marina Hotel LLC) that are managed by international hotel operating companies or operating under a franchise agreement. The Group also has tourism services, transportation services, and catering services.

The Company has investments in the following subsidiaries as of 30 September 2025 and 31 December 2024.

Name	Country of operation	Principal activity	Interest (%)	
			30 September 2025	31 December 2024
Al Ghazal Transportation Company – Al Ghazal Express - Owned by Abu Dhabi National Hotels Company PJSC – (“Subsidiary”)	United Arab Emirates	Transport services	100	100
Dome Hotels LLC (“Subsidiary”)	United Arab Emirates	Hospitality	100	100
ADNMC Sole proprietorship LLC (“Subsidiary”)	United Arab Emirates	Hospitality	100	100
Em Sherif Café West Bay LLC (“Subsidiary”)	United Arab Emirates	Food and beverage	80	80
ADNM RAK INVESTMENTS L.L.C- O.P.C – Sole Proprietorship L.L.C (“Subsidiary”)	United Arab Emirates	Hospitality	100	100
ADRM Restaurants Management – Sole Proprietorship LLC. (“Subsidiary”)	United Arab Emirates	Restaurants management	100	100
National Facility Management Company – Sole Proprietorship LLC (“Subsidiary”)	United Arab Emirates	Maintenance Security guard services	100	100
ADNH General Security Guard Arab Guard Services LLC (“Subsidiary”)	United Arab Emirates	Security guard services	100	100

Abu Dhabi National Hotels Company PJSC

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

1 General information (continued)

Name	Country of operation	Principal activity	Interest (%)	
			30 September 2025	31 December 2024
A D N H Catering plc ("Subsidiary")	United Arab Emirates	Catering	60	60

A D N H Catering plc sub-group consists of the following entities:

Name	Country of operation	Principal activity	Interest (%)	
			30 September 2025	31 December 2024
A D N H Catering L.L.C ("Subsidiary")	United Arab Emirates	Catering	100	100
A D N H Catering L.L.C. SP ("Subsidiary")	United Arab Emirates	Catering	100	100
A D N H Catering - L.L.C - O.P.C ("Subsidiary")	United Arab Emirates	Catering	100	100
Food Nation Catering Services L.L.C*	United Arab Emirates	Catering	100	-
Compass Arabia Ltd. ("ADNH Compass – KSA") (Note 8)	Gulf and the Middle East	Catering	50	30

* On 17 March 2025, A D N H Catering plc (subsidiary) further expanded its operations by acquiring 100% of the issued shares in Food Nation Catering Services LLC, a company specialized in providing high-quality catering services, particularly within the education sector (Note 24).

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

1 General information (continued)

The Company also has investments in the following associates and joint ventures as of 30 September 2025 and 31 December 2024.

Name	Country of operation	Principal activity	Interest (%)	
			30 September 2025	31 December 2024
Compass Catering Services W.L.L. (“Joint Venture”) (“ADNH Compass – Qatar”)	Gulf and the Middle East	Catering and contract services	50	50
High Spirits LLC (“Joint Venture”)	United Arab Emirates	Food and beverage	50	50
M Five Cleaning Services LLC (“Joint Venture”)	United Arab Emirates	Cleaning Services	50	50
Overseas Tourist Investment Company Limited (“Associate”)	Jersey, Channel Islands	Tourist complexes	38.46	38.46
Prime Concept Café & Restaurant LLC (“Associate”)	United Arab Emirates	Food and beverage	43	43

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 and in Note 2.2, the accounting policies used in the preparation of this condensed consolidated interim financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024.

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

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

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

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

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

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

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

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

3 Material accounting policies

3.1 Basis of preparation

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

The condensed consolidated interim financial information has been prepared in United Arab Emirates Dirham (“AED”), which is the functional and presentation currency of the Company/Group. All values are rounded to the nearest thousand (AED'000) except when otherwise indicated.

The condensed consolidated interim financial information has been prepared using the historical cost basis, except for the remeasurement of investment securities at fair value and revaluation of land.

Abu Dhabi National Hotels Company PJSC

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

3 Material accounting policies (continued)

3.1 Basis of preparation (continued)

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 2024. However, selected explanatory notes as shown below are included to explain events and transactions that are significant to the understanding of the changes in the Group's financial position and performance since the last consolidated financial statements.

The material accounting policies adopted in the preparation of the condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2024. Results for the nine-month period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

3.2 Fair value of financial instruments

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

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

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

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
30 September 2025				
Investment securities	311,870	-	21,179	333,049
31 December 2024				
Investment securities	401,788	-	21,179	422,967

The carrying values of the Group's other financial assets and financial liabilities as at 30 September 2025 and 31 December 2024 are not materially different from their fair values.

Abu Dhabi National Hotels Company PJSC

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

3 Material accounting policies (continued)

3.3 Going concern

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

4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The Group's financial risk management objectives and policies are the same as the ones identified in the consolidated financial statements for the year ended 31 December 2024.

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

Business combinations

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

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

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

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

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

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

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

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

In relation to the business acquisition and step-up acquisition, please refer to (Note 24 and 25).

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

5 Property and equipment

The movement of the property and equipment is as follows:

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Property and equipment at net carrying value	9,747,441	9,796,986
At 1 January	9,796,986	9,953,267
Acquired through business combination, net (Notes 24, 25)	4,997	19,675
Additions during the period/year	146,702	114,569
Disposals during the period/year	(6,428)	(26,737)
Depreciation charge for the period/year	(194,816)	(263,788)
At 30 September/31 December	<u>9,747,441</u>	<u>9,796,986</u>

Abu Dhabi National Hotels Company PJSC

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

5 Property and equipment (continued)

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

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Cost of services	194,163	195,889
General and administrative expenses	653	999
	<hr/> 194,816	<hr/> 196,888

Bank borrowings are secured against the mortgage of hotel properties with a value of AED 5 billion as at 30 September 2025 (31 December 2024: AED 5 billion).

5.1 Revaluation of land

Included in property and equipment is land stated at the revalued amount of AED 6.3 billion as at 30 September 2025 (31 December 2024: AED 6.3 billion).

During the year ended 31 December 2023, the Group engaged an accredited independent valuer to determine the fair value of the land. The revaluation resulted in a gain in the value of land of AED 1.397 billion.

Fair value was determined by reference to market-based evidence. This means that valuations performed by the valuer were based on active market comparable prices, adjusted for any difference in the nature, location, or condition of the specific property. In estimating the revalued amounts of the land, the highest and best use of the land had been considered. The inputs used in the valuation were based on observable market data, and thus, the valuation techniques were considered to be Level 3 fair value measurement. There is no material change to the fair value of the land since the last valuation date that might impact the condensed consolidated interim financial information for the nine-month period ended 30 September 2025.

If land was measured using the cost model, the carrying amounts would be AED 710,059 thousand (2025: AED 710,059 thousand).

Leased land

The Group leases from the Abu Dhabi Municipality four parcels of land, which are leased at a nominal value. The leases of these parcels of land are renewed on an annual basis.

Abu Dhabi National Hotels Company PJSC

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

6 Right-of-use assets

Group as a lessee

The Group has lease contracts for various items of land and buildings used in its operations. The lease terms range from 12 to 15 years, respectively.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period/year:

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
At 1 January	33,887	4,774
Acquired through business combination, net (Note 24, 25)	5,893	53,271
Additions during the period/year	11,056	10,203
Depreciation charge during the period/year	<u>(19,095)</u>	<u>(34,361)</u>
At 30 September /31 December	<u>31,741</u>	<u>33,887</u>

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

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Cost of services	<u>19,095</u>	<u>27,525</u>

7 Investment in associates

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
At 1 January	18,176	17,288
Share of profit during the period/year	1,227	1,941
Dividend received during the period/year	<u>(1,803)</u>	<u>(1,053)</u>
At 30 September/31 December	<u>17,600</u>	<u>18,176</u>

(a) Overseas Tourist Investment Company Limited (“OTIC”)

The Group has a 38.46% interest in equity share capital of Overseas Tourist Investment Company Limited (“OTIC”), which is incorporated in Jersey, Channel Island and participates in tourist complexes and operates in Morocco. The Group’s investment in this associate is accounted for using the equity method of accounting. OTIC is a private company and there is no quoted market price available for its shares. There are no contingent liabilities relating to the Group’s interest in the associate. The Group’s investment in the OTIC as at 30 September 2025 amounted to AED 10,743 thousand (31 December 2024: AED 10,743 thousand).

Abu Dhabi National Hotels Company PJSC

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

7 Investment in associates (continued)

(b) *Prime Concept Café & Restaurants LLC*

The Group's percentage of equity shareholding in Prime Concept as at 30 September 2025 is 43% (31 December 2024: 43%). The Group's investment in the Prime Concept Café & Restaurants LLC as at 30 September 2025 amounted to AED 6,857 thousand (31 December 2024: AED 7,433 thousand).

8 Investment in joint ventures

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Investment in ADNH Compass Middle East entities (a)	14,772	42,704
Investment in High Spirits LLC (b)	129,883	135,740
Investment in M Five Cleaning Services LLC (c)	34,981	35,527
	<hr/> <u>179,636</u>	<hr/> <u>213,971</u>

(a) *ADNH Compass – Middle East entities*

The Group has a 50% beneficiary interest with equal voting power in Compass Catering Services W.L.L. ("ADNH Compass – Qatar"), a joint arrangement with Compass Group International BV and another party. This entity provides catering, laundry, housekeeping and facility management services to third parties.

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

(b) *High Spirits LLC*

High Spirits LLC is a joint venture between ADNH and Holiday Marine Services LLC engaged in the trade of liquor and beverages. High Spirits LLC commenced business from 1 January 2021.

(c) *M Five Cleaning Investments LLC*

During the year ended 31 December 2024, the Group has acquired a 50% equity interest with equal voting power in M Five Cleaning Services LLC, registered in the United Arab Emirates, which specialises in housekeeping and cleaning services. The Group recorded the 50% interest acquired in the business as an investment in joint venture at a value of AED 30,000 thousand.

Abu Dhabi National Hotels Company PJSC

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

8 Investment in joint ventures (continued)

Movement in investment in joint ventures is as follows:

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
At 1 January	213,971	359,923
Share of profit for the period/year	22,784	43,608
Acquired during the period/year	-	30,000
Dividend received during the period/year	(45,212)	(166,147)
Fair value gain on retained equity interest before reclassification of a subsidiary	13,169	916,409
Reclassified as a subsidiary (Note 25)	<u>(25,076)</u>	<u>(969,822)</u>
At 30 September/31 December	<u>179,636</u>	<u>213,971</u>

9 Financial assets at fair value through other comprehensive income

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Unquoted equity investment	<u>21,179</u>	<u>21,179</u>

The unquoted equity investment represents the Group's equity interest of 10.224% (31 December 2024: 10.224%) in Abu Dhabi Tourism Investment Company ("ADTIC").

ADTIC is registered in Egypt as a private joint stock company. Its objectives are mainly to invest in tourist projects in Egypt. ADTIC owns two hotels in operation under a management agreement with an international hotel operator and holds an equity share in a private shareholding company in Egypt which is engaged in the construction of a tourist resort in Egypt. Investment securities are denominated in UAE Dirhams.

Abu Dhabi National Hotels Company PJSC

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

10 Intangible assets

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Intangible assets at net carrying value	<u>1,137,250</u>	<u>1,134,489</u>
At 1 January	1,134,489	-
Acquired through business combination, net (Note 24, 25)	33,745	1,165,156
Amortisation charge for the period/year	(30,984)	(30,667)
At 30 September/31 December	<u>1,137,250</u>	<u>1,134,489</u>

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

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
General and administrative expenses	<u>30,984</u>	<u>20,445</u>

11 Trade and other receivables

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Trade receivables	732,520	711,962
Less: allowance for expected credit losses	(102,007)	(59,018)
	<u>630,513</u>	<u>652,944</u>
Contract assets	146,318	35,872
Due from related parties (Note 22)	35,221	8,304
Prepayments	95,907	51,545
Other receivables	<u>181,510</u>	<u>109,188</u>
	<u>1,089,469</u>	<u>857,853</u>

Abu Dhabi National Hotels Company PJSC

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

12 Financial assets at fair value through profit or loss

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
At 1 January	401,788	-
Additions during the period/year	-	400,000
Disposed during the period/year	(100,000)	-
Fair value gain on financial assets at FVTPL	10,082	1,788
At 30 September/31 December	<u>311,870</u>	<u>401,788</u>

13 Term deposits

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Term deposits held with local banks	<u>417,496</u>	<u>403,307</u>

The Group, invested in term deposits with local banks in amount of AED 400,000 thousand as at 30 September 2025 (31 December 2024: AED 400,000 thousand). These deposits have a maturity date more than three months and less than one year and carry an average interest rate of 4.65% (31 December 2024: 4.65%) per annum. Finance income recorded during the period amounted to AED 15.6 million (30 September 2024: AED 1.1 million).

14 Cash and bank balances

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Cash on hand	1,969	832
Cash at bank*	<u>405,476</u>	<u>570,240</u>
	<u>407,445</u>	<u>571,072</u>

* Included in the cash at bank is short-term deposits placed during the period. These represented deposits with original maturities of less than three month with local banks. The short-term deposits carried average interest rates of 4% per annum (31 December 2024: 5% per annum). Finance income recorded during the period amounted to AED 1,040 thousand (30 September 2024: AED 2,679 thousand).

Abu Dhabi National Hotels Company PJSC

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

15 Share capital

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
<i>Authorised, issued and fully paid</i>		
12,600,000,000 shares* of AED 0.1 each	<u>1,260,000</u>	<u>1,260,000</u>
<i>Issued, subscribed and paid-up capital</i>		
At 1 January	1,260,000	1,200,000
Bonus shares issued in 2024: 600,000,000 shares of AED 0.1 each	<u>-</u>	<u>60,000</u>
At 30 September/31 December	<u>1,260,000</u>	<u>1,260,000</u>

* During the year ended 31 December 2024, the Group issued 600 million bonus shares of AED 0.1 each to its existing shareholders on the basis of 5% of the ordinary shares held as of 31 December 2023. The bonus shares are ordinary shares and carry the same rights as other ordinary shares. The legal formalities of the issuance of the share capital were completed on 11 March 2024.

During the year ended 31 December 2024, at the Annual General Meeting held on 28 February 2024, the Shareholders approved a cash dividend of AED 0.02 per share for each of the 12.6 billion shares as at that date totalling to AED 240 million. The cash dividend was paid to the Shareholders on 28 March 2024.

On the Annual General Meeting held on 9 April 2025, the Shareholders approved a cash dividend proposed by the Board of Directors on 14 February 2025 of AED 0.045 per share for each of the 12.6 billion shares as at that date totalling to AED 567 million, which was paid to shareholders on 21 April 2025.

16 Statutory and optional reserves

(a) Statutory reserve

In accordance with the UAE Federal Decree Law No. 32 of 2021, and Article 60 of the Company's Articles of Association, 10% of the profit for the year is to be transferred to a statutory reserve until such reserve reaches 50% of the Company's issued and fully paid-up capital. This reserve is not available for distribution. No transfers were made in the current period. During the year ended 31 December 2024, a transfer of AED 130 million has been made to the statutory reserve to make the statutory reserve reach 50% of the Company's issued and fully paid-up capital. This reserve of AED 630 million is not available for distribution.

(b) Optional reserve

No transfers were made in the current period. During the year ended 31 December 2024, a transfer of AED 130 million has been made to the statutory reserve.

This reserve of AED 370 million is not available for distribution.

Abu Dhabi National Hotels Company PJSC

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

17 Own shares

During the year 2023, the Group engaged a third-party licensed Market Maker on the Abu Dhabi Securities Exchange that offers liquidity provision services, to place buy and sell orders of the Company's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility. The shares are purchased for the Company's account by the Market Maker. The Market Maker trades and operates within the predetermined parameters approved by the Group. The Group monitors the transactions undertaken by the Market Maker on a daily basis. The Group has provided the majority of funding to the Market Maker to trade the Company's shares and it carries all risks and rewards associated with the arrangement. Given the nature and substance of the arrangement, the shares have been classified as "Own Shares" in Equity.

At 30 September 2025, the Market Maker held 39.6 million shares of the Company on behalf of the Group, which is classified under equity as at 30 September 2025, the remaining amount is presented in other receivables (Note 11).

18 Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of land and decreases to the extent that such decreases relate to increases on the same asset previously recognised in equity. During the year ended 31 December 2023, the Group had engaged an accredited independent valuer to determine the fair value of the land (Note 5).

During the year ended 31 December 2024, the Group sold a penthouse resulting in a disposal in the asset revaluation reserve of AED 2.9 million which was recycled in the retained earnings during the year ended 31 December 2024.

19 Bank borrowings

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
<i>Borrowings with commercial banks:</i>		
Due in more than one year – non-current	834,429	998,451
Due in less than one year – current	967,967	697,967
	<u>1,802,396</u>	<u>1,696,418</u>

Abu Dhabi National Hotels Company PJSC

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

19 Bank borrowings (continued)

The bank borrowings comprise the following:

Bank borrowings 1

On 3 January 2019, the Group obtained a term loan from a local bank amounting to AED 1,600 million to finance its acquisition of Dome Hotels LLC. The facility carries a variable interest rate plus a spread. The loan is repayable in semi-annual instalments. The collateral constitutes a mortgage of the assets purchased from the loan proceeds. The carrying amount of this term loan as at 30 September 2025 was AED 944 million (31 December 2024: AED 1,088 million). In addition to AED 4.3 million which is accrued interest as at 30 September 2025.

The Group paid AED 12 million as processing fees for the loan and as at 30 September 2025 has an unamortised prepaid loan arrangement fee of AED 5.6 million (31 December 2024: AED 8.9 million) that is netted off from the loan balance.

Bank borrowings 2

On 12 March 2020, a subsidiary of the Company, Al Ghazal Transport, obtained a term loan facility from a local bank amounting to AED 80 million for purchase of vehicles. This term loan facility was subsequently renewed to AED 105 million. The loan is repayable in equal monthly instalments. Al Ghazal drew down the entire facility as at 30 September 2025. The facility carries a variable annual interest rate plus a spread. The carrying amount of this loan as at 30 September 2025 was AED 55 million (31 December 2024: AED 36 million). In addition to AED 265 thousand which is accrued interest as at 30 September 2025. The facility is backed by a corporate guarantee issued by Abu Dhabi National Hotels Company PJSC.

Bank borrowings 3

On 11 November 2022, a subsidiary of the Company, Al Ghazal Transport obtained a term loan facility from a local bank amounting to AED 100 million to finance up to 90% of the purchase value of new vehicles for its operations in the UAE. The loan is repayable in equal monthly instalments. Al Ghazal did not draw down the entire facility as at 30 September 2025. The facility carries a variable annual interest rate plus a spread. The carrying amount of this loan as at 30 September 2025 was AED 37 million (31 December 2024: AED 56 million). In addition to AED 185 thousand which is accrued interest as at 30 September 2025. The facility is backed by a corporate guarantee issued by Abu Dhabi National Hotels Company PJSC.

Bank borrowings 4

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

Abu Dhabi National Hotels Company PJSC

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

19 Bank borrowings (continued)

Short term bank borrowings

In addition, during the year ended 31 December 2024, the Group had obtained short term loans from three local banks. The carrying amount of these short-term loans at reporting date was AED 740 million (31 December 2024: AED 458 million). In addition to AED 1.8 million which is accrued interest as at 30 September 2025. Certain property and equipment are mortgaged to banks against the short bank borrowings.

The carrying amounts of the Group's borrowings are denominated in UAE Dirhams.

Debt covenants

As at 30 September 2025, there is no non-compliance of financial covenants. The debt covenants compliance is tested by the banks on semi-annual basis (30 June and 31 December).

20 Lease liabilities

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
At 1 January	40,472	7,176
Acquired through business combination, net (Note 24, 25)	5,740	53,271
Additions during the period/year	11,056	10,203
Accretion of interest during the period/year	2,897	2,307
Payments during the period/year	(22,548)	(32,485)
At 30 September/31 December	<u>37,617</u>	<u>40,472</u>

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

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Non-current	18,315	15,578
Current	<u>19,302</u>	<u>24,894</u>
	<u>37,617</u>	<u>40,472</u>

Abu Dhabi National Hotels Company PJSC

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

21 Trade and other payables

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Trade payables	324,692	337,435
Accrued liabilities	352,980	292,230
Directors' remuneration	12,750	16,500
Due to related parties (Note 22)	7,929	2,804
Other payables	200,752	266,556
	<hr/> 899,103	<hr/> 915,525

Trade payables are non-interest bearing and are normally settled within 60 days of the invoice date.

22 Related party balances and transactions

Related parties represent Joint ventures, associates, managed hotels, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties.

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.

Terms and conditions of transactions with related parties

The sales to and services from related parties are made at normal market prices. Outstanding balances at the period-end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 30 September 2025 and the year ended 31 December 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

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

22 Related party balances and transactions (continued)

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

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Due from related parties:		
Al Rushaid Construction	27,772	-
JAC RIJK Al Rushaid Construction	3,052	-
Saipem Taqa al Rushaid Fabrication	1,346	-
Overseas Tourist Investment Company Limited	918	718
Abdullah Rasheed Al Rushaid Real Estate Co.	505	-
Prime Concept Café & Restaurant LLC	308	-
High Spirits LLC	297	1,082
ADNH Compass – Middle East entities	86	5,986
Others	937	518
	<u>35,221</u>	<u>8,304</u>

Due to related parties

Al Rushaid Petroleum Investment Company	4,889	-
High Spirits LLC	2,164	2,804
ADNH Compass – Middle East entities	255	-
Others	621	-
	<u>7,929</u>	<u>2,804</u>

Significant transactions with related parties included in the condensed consolidated interim statement of profit or loss are as follows:

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Purchases	7,851	7,598
Sales and other services	10,038	9,597
Key management compensation	<u>24,914</u>	<u>21,687</u>

During the nine-month period ended 30 September 2025, there were no loans extended to the Directors of the Group (31 December 2024: Nil).

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

23 Other income

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Gain on sale of property and equipment	16,445	64,356
Bargain purchase	4,290	-
Others	12,940	6,976
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	33,675	71,332

24 Acquisition of Food Nation Catering Services LLC

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

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

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

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

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

	31 March 2025 AED'000 (Unaudited)
Assets	
Property and equipment (Note 5)	842
Right-of-use assets (Note 6)	1,287
Intangible assets (Note 10)	1,219
Trade and other receivables	1,994
Inventories	150
Cash and cash equivalents	3,493
	<hr/> <hr/> <hr/> <hr/> <hr/>
	8,985

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

24 Acquisition of Food Nation Catering Services LLC (continued)

	31 March 2025 AED'000 (Unaudited)
Liabilities	
Lease liabilities (Note 20)	1,239
Income tax provision	64
Trade and other payables	7,630
Deferred income tax liabilities (Note 26)	108
	<hr/>
	9,041
Fair value of purchase consideration	
- Initial consideration paid in cash	4,255
- Consideration payable	<hr/> 1,168
	5,423
Add: fair value of net identifiable liabilities acquired	57
Goodwill recognised	<hr/> 5,480

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

	31 March 2025 AED'000 (Unaudited)
Customer relationships	589
Trademark	631
Goodwill	<hr/> 5,480
	<hr/> 6,700

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

The fair value of acquired trade receivables is AED 1,896 thousand. The gross contractual amount for trade receivables due is AED 2,062 thousand with a loss allowance of AED 166 thousand recognised on acquisition.

If the acquisition had occurred on 1 January 2025, consolidated pro-forma revenue and profit for the period ended 30 September 2025 would have been AED 2,453,778 thousands and AED 349,169 thousands respectively. These amounts have been calculated using the subsidiary's results and adjusting them for differences in the accounting policies between the Group and the subsidiary (if any).

No material transaction costs were incurred on the acquisition.

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

24 Acquisition of Food Nation Catering Services LLC (continued)

Cash outflow on acquisition:

	31 March 2025 AED'000 (Unaudited)
Cash consideration paid	4,255
Less: cash acquired with subsidiary	<u>(3,493)</u>
Net outflow of cash – investing activities	<u>762</u>

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

25 Acquisition of Compass Arabia Company Limited

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

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

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

Management has prepared a purchase price allocation to determine the fair value of the identifiable assets and liabilities of the acquiree.

As a result of this purchase price allocation, management has identified customer relationships which have been recognized as an intangible asset and will be amortized over their estimated useful life of 13 years. The acquisition accounting was performed on a provisional basis, as Management’s expert has not finalized the and will be completed within a year as permitted under IFRS 3 after finalising the valuation of the acquired assets and liabilities. The provisional amounts will be adjusted to reflect any new information that would be obtained abouts facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised as at that date.

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

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

25 Acquisition of Compass Arabia Company Limited (continued)

Bargain purchase

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

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

Revenue and profit contribution

If the acquisition had occurred on 1 January 2025, consolidated pro-forma revenue and profit for the period ended 30 September 2025 would have been AED 2,544,398 thousands and AED 352,899 thousands, respectively. These amounts have been calculated using the subsidiary's results and adjusting them for differences in the accounting policies between the Group and the subsidiary (if any).

Purchase consideration

	31 August 2025 AED'000 (Unaudited)
Cash paid	4,090
Fair value of previously held interest	<u>25,075</u>
	<u>29,165</u>

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

	31 August 2025 AED'000 (Unaudited)
Assets	
Property and equipment (Note 5)	4,155
Right of use assets (Note 6)	4,606
Intangible assets (Note 10)	27,045
Trade and other receivables	61,521
Due from related parties	34,168
Inventories	4,199
Cash and cash equivalents	<u>2,714</u>
	<u>138,408</u>

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

25 Acquisition of Compass Arabia Company Limited (continued)

Purchase consideration (continued)

	31 August 2025 AED'000 (Unaudited)
Liabilities	
Lease liabilities (Note 14)	4,501
Current tax liabilities	693
Trade and other payables	50,104
Provision for end-of-service benefits	4,393
Due to related parties	11,807
	<u>71,498</u>
Fair value of net identifiable assets	<u>66,910</u>

Bargain purchase was calculated as follows:

Total consideration	29,165
Add: Non-controlling interest at proportionate share of net-identifiable assets	33,455
Less: Fair value of net identifiable assets at acquisition date	<u>(66,910)</u>
Bargain purchase at acquisition date	<u>(4,290)</u>

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

	31 August 2025 AED (Unaudited)
Customer relationships	<u>27,024</u>
Cash outflow on acquisition:	
Cash consideration paid	4,090
Less: cash acquired with the subsidiary	<u>(2,714)</u>
Net outflow of cash – investing activities	<u>1,376</u>

Besides, cash and cash equivalents of AED 2,714 thousands, all other line items of assets and liabilities are non-cash transactions for the purpose of condensed consolidated interim statement of cash flows.

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

26 Income taxes

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

	30 September 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
A 1 January	42,325	-
Acquired through business combination (Note 24, 25)	757	7,447
Income tax expense during the period/year	29,338	34,878
Payments during the period/year	<u>(39,350)</u>	-
At 30 September/31 December	<u>33,070</u>	<u>42,325</u>

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

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Current tax	32,892	20,647
<i>Deferred tax</i>		
Decrease in deferred tax liabilities, net	<u>(3,554)</u>	<u>(2,629)</u>
	<u>29,338</u>	<u>18,018</u>

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

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Profit before income tax (period/year)	377,731	1,198,962
Tax using the Group's tax rate of 9%	<u>33,996</u>	<u>107,907</u>
<i>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</i>		
Gain on previously held equity interest in joint venture	(1,185)	(82,477)
Gain on sale of immovable property	-	(3,593)
Donations, grants, gifts to non-qualifying public benefit entities disallowed	56	50
Share of net profit of investments accounted for using the equity method	(2,161)	(3,082)
Miscellaneous	<u>(1,368)</u>	<u>(787)</u>
	<u>29,338</u>	<u>18,018</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 7.7% (2024: 9%).

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

26 Income taxes (continued)

Deferred tax liabilities movement during the period:

	Intangible assets AED'000	Right-of-use assets AED'000	Lease liabilities AED'000	Total AED'000
At 1 January 2024 (Audited)	-	-	-	-
Acquisition of subsidiaries	73,602	(764)	57	72,895
(Charge)/credit during the year	(2,760)	28	(1)	(2,733)
At 31 December 2024 (Audited)	70,842	(736)	56	70,162
Acquisition of a subsidiaries	108	-	-	108
(Charge)/credit during the period	(2,763)	23	(1)	(2,741)
At 30 September 2025 (Unaudited)	68,187	(713)	55	67,529

27 Basic and diluted earnings per share

Earnings per share amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent by the weighted average number of shares outstanding during the period. The following reflects the profit and share data used in the earnings per share computations:

	Three-month period ended 30 September		nine-month period ended 30 September	
	2025		2024	
	AED'000	AED'000	AED'000	AED'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Earnings attributable to equity holders of the Parent (AED)	52,781	30,220	305,798	1,180,830
Weighted average number of shares in issue (excluding own shares)	12,560,306	12,460,800	12,560,306	12,460,800
Basic and diluted earnings per share (AED)	0.004	0.002	0.024	0.095

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

28 Segment information

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 four major operating segments. These segments are the basis on which the Group reports its primary segmental information. These are:

- Hotels
- Catering services
- Transport services
- Holding company - responsible for managing investments held by the Group, development of hotels and general coordination of the Group's activities.

Individual hotels, transportation and catering segments' performance is measured based on profit or loss.

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

28 Segment information (continued)

Information regarding these segments is presented below:

	Hotels AED '000	Catering services AED '000	Transport services AED '000	Holding company AED '000	Eliminated entries AED '000	Total AED '000
Nine-month period ended 30 September 2025 (Unaudited)						
Revenue	1,032,070	1,264,620	208,145	-	(60,978)	2,443,857
Cost of services	(732,720)	(1,047,645)	(186,605)	-	59,440	(1,907,530)
Gross profit	299,350	216,975	21,540	-	(1,538)	536,327
General and administrative expenses	-	(72,478)	(6,664)	(85,202)	408	(163,936)
Provision of impairment of financial assets	(243)	(23,877)	(1,788)	-	-	(25,908)
Gain on previously held equity interest in joint venture	-	13,169	-	-	-	13,169
Share of profit from associates	-	-	-	1,227	-	1,227
Share of profit from joint ventures	-	996	-	21,788	-	22,784
Fair value gain on financial assets at FVTPL	-	-	-	10,082	-	10,082
Other income	-	5,389	17,538	9,618	1,130	33,675
Finance income	-	-	-	15,619	-	15,619
Finance costs	(57,214)	(4,165)	(3,929)	-	-	(65,308)
Profit/(loss) for the period before tax	241,893	136,009	26,697	(26,868)	-	377,731
Income tax expense						(29,338)
Profit for the period						348,393
 30 September 2025 (Unaudited)						
Total assets	9,922,308	1,298,745	182,370	6,964,549	(4,976,795)	13,391,177
Total liabilities	2,664,645	673,358	182,370	1,824,818	(2,344,807)	3,000,384

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

28 Segment information (continued)

Information regarding these segments is presented below (continued):

	Hotels AED '000	Catering services AED '000	Transport services AED '000	Holding company AED '000	Eliminated entries AED '000	Total AED '000
Nine-month period ended 30 September 2024 (Unaudited)						
Revenue	937,374	815,540	224,697	-	(56,217)	1,921,394
Cost of services	(699,198)	(692,499)	(203,959)	-	60,192	(1,535,464)
Gross profit	238,176	123,041	20,738	-	3,975	385,930
General and administrative expenses	-	(42,052)	-	(70,233)	-	(112,285)
(Provision)/reversal of impairment of financial assets	1,718	-	(1,585)	(11,843)	-	(11,710)
Share of profit from associates	-	-	-	1,238	-	1,238
Share of profit from joint ventures	-	651	-	32,353	-	33,004
Gain on previously held equity interest in joint venture	-	-	-	916,409	-	916,409
Other income	-	-	10,605	64,702	(3,975)	71,332
Finance income	-	-	-	1,074	-	1,074
Finance costs	(78,341)	(2,273)	(5,416)	-	-	(86,030)
Profit for the period before tax	161,553	79,367	24,342	933,700	-	1,198,962
Income tax expense						(18,018)
Profit for the period						1,180,944
 31 December 2024 (Audited)						
Total assets	9,557,531	1,201,922	248,156	2,472,248	(205)	13,479,652
Total liabilities	1,887,293	655,685	153,198	278,684	(56,453)	2,918,407

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

29 Contingencies and commitments

	30 September 2025 AED'000 (Unaudited)	30 September 2024 AED'000 (Unaudited)
Bank guarantees	225,942	347,979
Within one year	7,664	60,307
Between one and two years	4,272	102,722
Above two years	214,006	184,950
	225,942	347,979

Besides the above, the Group has provided a corporate guarantee as at 30 September 2025 amounting to AED 455 million (31 December 2024: AED 455 million) against a borrowings obtained by the subsidiaries. The utilized balance for the underlying borrowings was AED 117 million (2024: AED 142 million).

Capital commitments

The estimated capital expenditure contracted as at 30 September 2025 amounting to AED 194.9 million (31 December 2024: AED 98.4 million).

30 Seasonality of results

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