

Dubai Refreshment (P.J.S.C.)

**Independent auditor's report and financial statements
for the year ended 31 December 2025**

Dubai Refreshment (P.J.S.C.)

Contents	<u>Pages</u>
Independent auditor's report	1 - 4
Statement of financial position	5
Statement of profit or loss	6
Statement of comprehensive income	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 45



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Independent auditors' report

To the Shareholders of Dubai Refreshment (P.J.S.C)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dubai Refreshment (P.J.S.C) ("the Company"), which comprise the statement of financial position as at 31 December 2025, the statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the United Arab Emirates. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Revenue

See Note 22 to the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Revenue is primarily generated from the sale of Pepsi Cola International products in the United Arab Emirates and other countries. The revenue process is highly automated and relies on IT systems to record and process a high volume of daily transactions.</p> <p>Revenue is a key driver of the Company's financial performance and is a key metric used by management and external stakeholders, which increases the risk of inappropriate recognition, particularly around the reporting period end.</p> <p>Given the significance of revenue to the financial statements, the volume of transactions, and the susceptibility of revenue to misstatement through timing and manual adjustments, we considered revenue recognition to be a key audit matter. In particular, we identified the following risks that, individually or in combination, could result in a material misstatement of revenue and therefore required significant auditor attention:</p> <ul style="list-style-type: none"> • Cut-off: Risk that revenue may be recognized before control transfers to customers, particularly for sales transacted near period-end, resulting in revenue being recorded in the incorrect period; and • Manual adjustments: Risk that manual journal entries may be posted to revenue accounts without appropriate business rationale or supporting documentation, potentially bypassing system controls and overstating revenue. 	<p>To address this risk, we performed the following procedures amongst others:</p> <ul style="list-style-type: none"> • We obtained understanding of the Company's revenue recognition process, including relevant IT applications and controls designed to mitigate the identified risks. • We evaluated the design and implementation and tested the operating effectiveness of the key manual controls over revenue recognition, including controls over order processing, dispatch, billing, and revenue recording. • With the assistance of our IT specialists, we tested the General IT Controls (GITCs) and Automated Application Controls across the relevant IT systems including the key automated controls over revenue recognition. This included testing the integrity of interfaces and the reliability of system-generated reports. • We performed substantive analytical procedures, including predictive analytics, to assess the relationship between revenue recognized and cash collections. • We performed test of details over revenue transactions on a sample basis, including testing sales recorded close to the year end by examining underlying documentation such as sales orders, delivery notes, and invoices, to assess whether revenue was recognized in the correct accounting period and upon transfer of control to customers. • We identified and examined journal entries posted to revenue accounts based on specific risk criteria, and tested journal entries selected based on the specific risk criteria, if any. • We assessed the adequacy of disclosures in the financial statements in accordance with the applicable financial reporting framework.

Other matter

The financial statements of the Company as at and for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on 11 February 2025.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. We obtained the Chairman's report prior to the date of this auditors' report, and we expect to obtain the remaining sections of the Annual Report after that date.

Other information (continued)

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.


From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021, as amended, we report that for the year ended 31 December 2025:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended;
- iii) the Company has maintained proper books of account;
- iv) the financial information included in the Chairman's report is consistent with the books of account of the Company;
- v) as disclosed in note 8 to the financial statements, the Company has not purchased any shares during the year ended 31 December 2025;
- vi) note 19 to the financial statements discloses material related party transactions and the terms under which they were conducted;
- vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2025 any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended, or its Articles of Association, which would materially affect its activities or its financial position as at 31 December 2025; and
- viii) note 24 to the financial statements discloses the social contributions made during the year ended 31 December 2025.

KPMG Lower Gulf Limited



Fawzi AbuRass
Registration No.: 968
Dubai, United Arab Emirates

Date: **10 FEB 2026**

**Statement of financial position
as at 31 December 2025**

	Notes	2025 AED'000	2024 AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	5(a)	488,083	515,724
Investment property	5(b)	14,946	14,946
Right-of-use assets	6	92,643	74,000
Intangible assets	7	2,702	3,088
Financial assets measured at fair value through other comprehensive income ("FVTOCI")	8	97,980	72,566
Total non-current assets		696,354	680,324
Current assets			
Inventories	9	108,343	85,114
Trade and other receivables	10	225,383	195,887
Cash and bank balances	11	497,726	444,300
Total current assets		831,452	725,301
Total assets		1,527,806	1,405,625
EQUITY AND LIABILITIES			
Equity			
Share capital	12	90,000	90,000
Statutory reserve	13	45,000	45,000
General reserve	14	618,401	618,401
Investments revaluation reserve	15	61,937	36,523
Cash flow hedge reserve		600	(23)
Retained earnings		339,398	276,725
Total equity		1,155,336	1,066,626
Non-current liabilities			
Provision for employees' end of service indemnity	17	36,253	35,242
Lease liabilities - non-current portion	21	91,922	75,406
Total non-current liabilities		128,175	110,648
Current liabilities			
Trade and other payables	20	214,214	205,562
Current tax liability	25	16,700	13,681
Lease liabilities - current portion	21	13,381	9,108
Total current liabilities		244,295	228,351
Total liabilities		372,470	338,999
Total equity and liabilities		1,527,806	1,405,625

To the best of our knowledge, the financial information included in these financial statements fairly presents, in all material respects the financial condition, results of operation and cash flows of the Company as of, and for, the year ended 31 December 2025.

Mr. Ahmad Bin Elsa Al Serkal
Chairman

Mr. Nawwaf Ghubash Ahmed Ghubash Al Marri
Director

The notes on pages 10 to 45 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

**Statement of profit or loss
for the year ended 31 December 2025**

	Notes	2025 AED'000	2024 AED'000
Revenue ⁽¹⁾	22	877,200	817,985
Cost of sales ⁽¹⁾		(542,041)	(523,607)
Gross profit		335,159	294,378
Other operating income	23	12,576	10,077
Selling and distribution expenses		(128,252)	(119,672)
General and administrative expenses		(65,199)	(61,188)
Amortisation of intangible assets	7	(462)	(1,021)
Operating profit		153,822	122,574
Interest income		15,203	18,783
Lease interest cost		(5,080)	(3,188)
Dividend income		-	2,696
Other income		9,659	8,644
Profit for the year before tax		173,604	149,509
Income tax expense	25	(15,731)	(13,681)
Profit for the year after tax		157,873	135,828
Earnings per share in AED	18	1.70	1.44

(1) The revenue and cost of sales for the current year is exclusive of excise tax amounting to AED 416,223 thousands (2024: AED 386,826 thousand).

The notes on pages 10 to 45 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

**Statement of comprehensive income
for the year ended 31 December 2025**

	2025 AED'000	2024 AED'000
Profit for the year after tax	157,873	135,828
Other comprehensive income/(loss)		
<i>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:</i>		
Change in fair value of financial assets at fair value through other comprehensive income, net (Note 8.a)	25,228	(27,265)
<i>Other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods:</i>		
Change in fair value of financial assets at fair value through other comprehensive income, net (Note 8.b)	186	(81)
Change in fair value of cash flow hedges	623	(1,085)
Total other comprehensive income/ (loss)	26,037	(28,431)
Total comprehensive income for the year	183,910	107,397

The notes on pages 10 to 45 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

Dubai Refreshment (P.J.S.C.)

Statement of changes in equity for the year ended 31 December 2025

	Share capital AED'000	Statutory reserve AED'000	General reserve AED'000	Investments revaluation reserve AED'000	Cash flow hedge reserve AED'000	Retained earnings AED'000	Total AED'000
At 1 January 2024	90,000	45,000	618,401	63,869	1,062	435,097	1,253,429
Profit for the year after tax	-	-	-	-	-	135,828	135,828
Other comprehensive loss	-	-	-	(27,346)	(1,085)	-	(28,431)
Total comprehensive income for the year	-	-	-	(27,346)	(1,085)	135,828	107,397
Dividends paid (Note 16)	-	-	-	-	-	(288,000)	(288,000)
Directors' fee (Note 19)	-	-	-	-	-	(6,200)	(6,200)
At 31 December 2024	90,000	45,000	618,401	36,523	(23)	276,725	1,066,626
Profit for the year after tax	-	-	-	-	-	157,873	157,873
Other comprehensive income	-	-	-	25,414	623	-	26,037
Total comprehensive income for the year	-	-	-	25,414	623	157,873	183,910
Dividends paid (Note 16)	-	-	-	-	-	(90,000)	(90,000)
Directors' fee (Note 19)	-	-	-	-	-	(5,200)	(5,200)
At 31 December 2025	90,000	45,000	618,401	61,937	600	339,398	1,155,336

The notes on pages 10 to 45 form an integral part of these financial statements.

**Statement of cash flows
for the year ended 31 December 2025**

	2025 AED'000	2024 AED'000
Cash flows from operating activities		
Profit for the year before tax	173,604	149,509
Adjustments for:		
Depreciation on property, plant and equipment (Note 5a)	40,988	41,322
Amortisation of intangible assets (Note 7)	462	1,021
Depreciation on right-of-use assets (Note 6)	14,951	13,329
Interest income	(15,203)	(18,783)
Interest on lease liabilities	5,080	3,188
Gain on disposal of property, plant and equipment	(273)	(238)
Gain/ (loss) on de-recognition of lease	-	(1,313)
Dividend income (Note 19)	-	(2,696)
Allowance for expected credit loss (Note 10)	600	600
Provision for employees' end of service benefits (Note 17)	5,720	3,912
Operating cash flows before changes in working capital	225,929	189,851
Changes in:		
Inventories	(23,229)	(9,939)
Trade and other receivables	(27,402)	23,822
Trade and other payables	3,898	(3,987)
Cash generated from operating activities	179,196	199,747
Employees' end of service indemnity paid (Note 17)	(4,709)	(2,182)
Corporate tax paid	(12,712)	-
Interest paid on lease liabilities	(5,080)	(3,188)
Net cash generated from operating activities	156,695	194,377
Cash flows from investing activities		
Purchase of debt instruments at fair value through other comprehensive income	-	(4,960)
Purchase of property, plant and equipment (Note 5a)	(13,347)	(20,636)
Capex support	5,377	4,624
Purchase of intangible assets (Note 7)	(76)	(114)
Proceeds from disposal of property, plant and equipment	273	238
Dividend income, (Note 19)	-	2,696
Interest income received	12,509	15,430
Bank deposits made during the year	(390,115)	(225,268)
Bank deposits withdrawn during the year	205,832	111,802
Net cash used in investing activities	(179,547)	(116,188)
Cash flows from financing activities		
Director fees paid	(5,200)	(5,200)
Dividends paid (Note 16)	(90,000)	(288,000)
Payment of principal portion of lease liabilities (Note 21)	(12,805)	(11,869)
Net cash used in financing activities	(108,005)	(305,069)
Net decrease in cash and cash equivalents	(130,857)	(226,880)
Cash and cash equivalents at the beginning of the year	179,407	406,287
Cash and cash equivalents at the end of the year (Note 11)	48,550	179,407

The notes on pages 10 to 45 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

**Notes to the financial statements
for the year ended 31 December 2025****1. Legal status and activities**

Dubai Refreshment (P.J.S.C) (the “Company”) was incorporated in Dubai in 1959 by a Decree issued by His Highness The Ruler of Dubai. The Company is listed on the Dubai Financial Market (“DFM”). The registered address of the Company is P.O. Box 420, Dubai, United Arab Emirates.

The Company is engaged in bottling and selling Pepsi Cola International products in Dubai, Sharjah and the other Northern Emirates of UAE. The Company also exports Pepsi Cola International products from time to time to foreign countries after obtaining authorisation from Pepsi Cola International. The Company holds 7Up and Aquafina bottling and selling rights for the whole of the UAE.

2. Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in compliance with the applicable provisions of UAE Federal Decree Law No, (32) of 2021, as amended, and the Articles of Association of the Company.

The financial statements have been presented in U.A.E. Dirhams, which is the functional and presentation currency of the Company, rounded to the nearest thousand (AED 000), except when otherwise indicated.

The Company’s financial statements have been prepared under the historical cost basis except for the following:

- derivative financial instruments are measured at fair value and
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

3. Summary of material accounting policy information**Revenue recognition**

Revenue from contract with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company does not have significant financing components.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Revenue recognition (Continued)

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Volume rebates

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Dividend income

Dividend income is recognised when the Company's right to receive the dividend payment is established.

Profit from investment in Bonds

Profit from investment in Bonds is accrued on a time basis, by reference to the notional amount and at the effective coupon rate applicable.

Value-added Tax (VAT)

Expenses, liabilities and assets are recognised excluding the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/or
- When receivables and payables, amounts are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Property, plant and equipment are depreciated on a straight-line basis over the assets' estimated useful lives as follows:

Buildings	4 to 30 years
Plant, machinery and equipment	2 to 20 years
Coolers and vending machines	5 to 7 years
Furniture and fixtures	2 years
Freezers	5 years

Land and capital work-in-progress are not depreciated.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the statement of profit or loss as the expense is incurred.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less cost to sell and their value in use.

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss in the period the asset is derecognised.

Investment property

Investment property is carried at cost, net of any recognized impairment losses.

Cost includes direct costs, professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Impairment of non-financial assets

At each reporting date the Company reviews the carrying amounts of its assets to assess whether there is an indication that those assets may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows attributable to the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Property, plant and equipment (continued)

Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are those incurred in bringing each product to its present location and condition, as follows:

- Raw materials - purchase cost on weighted average basis;
- Spares and consumables - purchase cost on weighted average basis;
- Finished goods - cost of direct materials plus an appropriate share of production overheads based on normal operating capacity and is determined on weighted average basis.

Net realisable value is based on the estimated selling price less any further costs expected to be incurred on completion and disposal.

Damaged and obsolete inventories are written off.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible asset.

Amortisation is calculated on a straight-line basis over the assets' estimated useful lives as follows:

Lease rights	20 years
Software	5 years

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Foreign exchange difference

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at Fair Value Through Other Comprehensive Income ("FVTOCI"). Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included as a separate line item in the statement of profit or loss.

Investments in Bonds held at fair value through other comprehensive income (FVTOCI)

Classification and Measurement

Bonds are classified as Financial assets measured at fair value through other comprehensive income (FVTOCI) if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the bonds give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Initial Recognition

Bonds are initially recognised at fair value plus any directly attributable transaction costs.

Subsequent Measurement

After initial recognition, Bonds are measured at fair value. Changes in the fair value of these bonds are recognised in other comprehensive income (OCI), except for impairment gains or losses, interest income, and foreign exchange gains and losses, which are recognised in profit or loss.

Interest Income

Interest income from Bonds classified as FVTOCI is calculated using the effective interest method and is recognised in profit or loss.

Derecognition

Bonds are derecognised when the rights to receive cash flows from the bonds have expired or have been transferred, and the Company has transferred substantially all the risks and rewards of ownership. Upon derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Fair Value Measurement

The fair value of Bonds is determined using quoted market prices in active markets. If quoted market prices are not available, fair value is determined using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether Company management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Assessment whether contractual cash flows are solely payments of principal and interest (continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables, cash and bank balances, due from a related party and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

The Company employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

(iii) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Fair value measurement

The Company measures financial instruments, such as derivatives and investment securities at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature. Characteristics and risks of the assets or liabilities and the level of the fair value hierarchy, as explained above.

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- It is not subject to the entity's right at the reporting date to defer its settlement for at least 12 months after the reporting date.

The Company classifies all other liabilities as non-current.

Provision for end of service benefits

The Company provides end of service benefits for its expatriate employees in accordance with U.A.E. Labour Law. The entitlement to these benefits is based upon the employees' length of service and completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Leases

The Company as lessee

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Taxation

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

Taxation (continued)

Current tax (continued)

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3. Summary of material accounting policy information (continued)

New standards and interpretations issued and effective

Effective 1 January 2025, following new/ amended IFRS have become effective and have been applied in preparing these financial statements:

- Lack of Exchangeability (Amendments to IAS 21)

The application of these revised IFRS does not have any material impact on the amounts reported for the current and prior year but may affect the accounting for future transactions or arrangements.

New standards and interpretations issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2026 and earlier application is permitted. None of these new standards and amendments have been early adopted in preparing these condensed interim financial statements.

	Effective date
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026
Contract Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards Volume 11	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability Disclosures	1 January 2027

4. Critical accounting judgments and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant impact on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

Determining lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Determining useful life of property, plant and equipment

The useful life of an asset is determined based on the expected utilization of the asset by the Company. The residual value and useful life of an asset is reviewed periodically for any adjustment required in the current and future periods relating to asset.

Discounting of lease payments

The lease payments are discounted using the Company's incremental borrowing rate ("IBR"). For calculation of IBR, the Company has taken the borrowing rate as on the transition date and the rate is adjusted for Company's specific risk, term risk and underlying asset risk.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

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

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Calculation of volume rebates

For assessing the expected amount of rebates at year end, the management considers all the information that is reasonably available to them and shall identify a possible amount using the benchmarks mentioned in the sales contract.

Notes to the financial statements
for the year ended 31 December 2025 (continued)

5(a) Property, plant and equipment

	Land AED'000	Buildings AED'000	Plant, machinery and equipment AED'000	Coolers and vending machines AED'000	Furniture and fixture AED'000	Freezer AED'000	Capital work-in progress AED'000	Total AED'000
Cost								
At 1 January 2024	22,100	479,762	367,602	67,308	9,642	270	210	946,894
Additions	-	4,654	6,857	8,181	100	-	844	20,636
Transfers during the year	-	-	162	-	-	-	(162)	-
Disposals	-	-	(243)	(1,254)	(555)	(270)	-	(2,322)
At 31 December 2024	22,100	484,416	374,378	74,235	9,187	-	892	965,208
At 1 January 2025	22,100	484,416	374,378	74,235	9,187	-	892	965,208
Additions	-	392	5,036	6,102	245	-	1,572	13,347
Transfers during the year	-	774	39	28	-	-	(841)	-
Disposals	-	-	(2,296)	(1,308)	(169)	-	-	(3,773)
At 31 December 2025	22,100	485,582	377,157	79,057	9,263	-	1,623	974,782

Notes to the financial statements
for the year ended 31 December 2025 (continued)

5(a) Property, plant and equipment (continued)

	Land AED'000	Buildings AED'000*	Plant, machinery and equipment AED'000	Coolers and vending machines AED'000	Furniture and fixture AED'000	Freezer AED'000	Capital work-in progress AED'000	Total AED'000
Accumulated depreciation								
At 1 January 2024	-	125,515	223,097	52,384	9,218	270	-	410,484
Charge for the year (Note 24)	-	16,760	18,053	6,220	289	-	-	41,322
On disposal	-	-	(243)	(1,254)	(555)	(270)	-	(2,322)
At 31 December 2024	-	142,275	240,907	57,350	8,952	-	-	449,484
At 1 January 2025	-	142,275	240,907	57,350	8,952	-	-	449,484
Charge for the year (Note 24)	-	16,460	16,820	7,439	269	-	-	40,988
On disposal	-	-	(2,296)	(1,308)	(169)	-	-	(3,773)
At 31 December 2025	-	158,735	255,431	63,481	9,052	-	-	486,699
Carrying value								
At 31 December 2025	22,100	326,847	121,726	15,576	211	-	1,623	488,083
At 31 December 2024	22,100	342,141	133,471	16,885	235	-	892	515,724

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

5(a) Property, plant and equipment (continued)

- * During the year ended 31 December 2025, the Company conducted an operational review of its buildings which resulted in change of the estimated useful life of warehouse and accommodation building located in Sharjah from 20 years to 30 years. The effect of this change in estimate will be applied prospectively. As a result, the effect on depreciation charge is AED 419 thousand for the year ended 31 December 2025.

As at 31 December 2025, the capital work-in progress represents AED 1,623 thousand building and related plant, machinery and equipment that were in progress during the year

During the year ended 31 December 2025, the Company disposed items of plant, machinery and equipment, coolers and vending machines and furniture and fixtures. The net book value of these items were AED nil (31 December 2024: AED nil) and sold at AED 273 thousands (31 December 2024: AED 238 thousand).

As at 31 December 2025, the fully depreciated assets still in use amounted to AED 214,297 thousand (31 December 2024: AED 175,176 thousand).

Depreciation charge for the year has been allocated as follows:

	2025 AED'000	2024 AED'000
Cost of sales (Note 24)	22,409	23,586
Selling and distribution expenses	13,703	12,628
General and administrative expenses	4,876	5,108
	40,998	41,322

5(b) Investment property

	2025 AED'000	2024 AED'000
Balance at 31 December	14,946	14,946

Investment property represents a plot land in Business Bay, Dubai UAE. The fair value of the investment property at 31 December 2025 was estimated to be AED 266.9 million (2024: AED 195.7 million). During the year, the rental income from this land plot was AED 1.8 million (2024: AED 1.8 million). The annual rental income for the investment property is fixed to AED 1.8 million for the next 4 years till expiry of the rent agreement.

As permitted by IAS 40 *Investment Property*, the Company has chosen to carry Investment Property under the "cost model". The Company therefore has disclosed the "fair values" of these investment property. The "fair value" disclosed have been arrived at on the basis of a valuation carried out by an independent valuer. The fair value of the investment property have been classified under level 3 of valuation hierarchy.

At 31 December 2025, the Company assessed the fair values of its investment property based on the valuation carried out by an independent external valuer.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

5(b) Investment property (continued)

Valuation techniques underlying the fair values:

The valuation was determined using the market approach method. The valuer utilized a Market Approach using a direct comparison method. The valuer compared the subject property to sales of other properties in the surrounding locality on a rate AED/ft² of plot area / Gross Floor Area basis. The approach is based on the principle that the value of one property may be derived by comparing it with prices achieved from transactions in similar properties. It is widely used for residential, rural and, in some cases, commercial property valuation.

The Company leases out its investment property. The Company has classified this lease as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

6. Right-of-use assets

The Company leases several assets including land, motor vehicles and accommodation. The leases' terms is ranging from 2 to 30 years.

	Right-of-use assets			
	Land and building AED'000	Equipment AED'000	Motor vehicles AED'000	Total AED'000
1 January 2024	65,352	563	13,234	79,149
Additions	599	-	13,894	14,493
Disposal	(6,088)	-	(225)	(6,313)
Depreciation expense (Note 24)	(3,894)	(132)	(9,303)	(13,329)
31 December 2024	55,969	431	17,600	74,000
1 January 2025	55,969	431	17,600	74,000
Additions	-	-	34,048	34,048
Disposal	-	-	(454)	(454)
Depreciation expense (Note 24)	(3,951)	(140)	(10,860)	(14,951)
31 December 2025	52,018	291	40,334	92,643

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

6. Right-of-use asset (continued)

Amounts recognised in profit or loss:

	2025	2024
	AED'000	AED'000
Depreciation expense on right-of-use assets	14,951	13,329
Interest expense on lease liabilities (Note 21)	5,080	3,188
	20,031	16,517

7. Intangible assets

	Lease rights AED'000	Software AED'000	Total AED'000
Cost			
At 31 December 2023	7,000	25,577	32,577
Additions	-	114	114
At 31 December 2024	7,000	25,691	32,691
At 1 January 2025	7,000	25,691	32,691
Additions	-	76	76
At 31 December 2025	7,000	25,767	32,767
Amortisation			
At 31 December 2023	3,703	24,879	28,582
Charge for the year	350	671	1,021
At 31 December 2024	4,053	25,550	29,603
At 1 January 2025	4,053	25,550	29,603
Charge for the year	350	112	462
At 31 December 2025	4,403	25,662	30,065
Carrying value			
At 31 December 2025	2,597	105	2,702
At 31 December 2024	2,947	141	3,088

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

8. Financial assets measured at fair value through other comprehensive income ("FVTOCI")

Financial assets designated at fair value through other comprehensive income (FVTOCI)

a) Equity instrument

	2025	2024
	AED'000	AED'000
Balance at 1 January	67,687	94,952
Change in market fair value	25,228	(27,265)
	92,915	67,687

- (i) The equity instrument represents the shares of Oman Refreshment Company. There are no additional shares acquired during the year (2024: nil).

b) Bonds

Balance at 1 January (refer (i) below)	4,879	-
Additions	-	4,960
Change in market fair value	186	(81)
	5,065	4,879
Balance at 31 December	97,980	72,566

- (ii) During the last year, the Company purchased Bonds with a tenure of 5 years at a price of AED 4.96 million carrying a yield of 4.86 % p.a. The investment in bond is measured at fair value through other comprehensive income.

The Company has made an irrevocable election to designate investment in Tier 1 Bank in UAE bond as FVTOCI at initial recognition as per IFRS 9 and subsequent changes in fair value are presented in Other Comprehensive Income ("OCI"). These are strategic investments not held for trading and the Company considers this classification to be more relevant.

9. Inventories

	2025	2024
	AED'000	AED'000
Raw material and consumables	76,225	53,707
Finished goods	24,696	23,423
Spare parts and supplies	9,715	9,729
	110,636	86,859
Less: Provision for slow moving spare parts and supplies	(2,293)	(1,745)
	108,343	85,114

During the year ended 31 December 2025, the inventories used and included in cost of goods sold in the statement of profit or loss amounted to AED 465.57 million (2024: AED 449.93 million).

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

10. Trade and other receivables

	2025 AED'000	2024 AED'000
Trade receivables	134,600	126,134
Less: allowance for expected credit loss	(1,005)	(2,420)
	133,595	123,714
Prepaid expenses	7,802	6,790
Advances to suppliers	3,227	3,817
Contract assets	13,199	12,999
Other receivables*	66,497	48,291
Fair value of derivatives	600	-
Due from a related party (Note 19 (c))	463	276
	225,383	195,887

*Other receivable are net off provision amounting to AED 4.01 million (2024: AED 4.01 million).

As at 31 December 2025, trade accounts receivable with a nominal value of AED 1 million (2024: AED 2.4 million) were impaired. Movements in the allowance for expected credit loss were as follows:

	2025 AED'000	2024 AED'000
At 1 January	2,420	1,820
Charge for the year	600	600
Write off	(2,015)	-
At 31 December	1,005	2,420

As at 31 December, the ageing of trade receivables is as follows:

			Past due but not impaired				
	Total	Past due	Neither	<30	30-60	60-90	>90
	AED'000	and	past due	days	days	days	days
		impaired	nor	AED'000	AED'000	AED'000	AED'000
		AED'000	impaired				
			AED'000				
2025	134,600	1,005	114,728	13,648	2,680	907	1,632
2024	126,134	2,420	110,073	12,943	698	-	-

Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable given the nature of the business. It is not the practice of the Company to obtain collateral over receivables and the vast majority are, therefore, unsecured.

As at 31 December 2025, the impaired trade receivables are past due more than 90 days (31 December 2024: past due more than 30 days).

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

10. Trade and other receivables (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9 (Note 28):

	Collectively assessed AED'000	Individually assessed AED'000	Total AED'000
Balance as at 1 January 2024	471	1,349	1,820
Net re-measurement of loss allowance	(471)	1,071	600
	<hr/>	<hr/>	<hr/>
Balance as at 1 January 2025	-	2,420	2,420
Write off	-	(2,015)	(2,015)
Net re-measurement of loss allowance	-	600	600
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2025	-	1,005	1,005

11. Cash and bank balances

For the purpose of the statement of cash flows, cash and bank balances comprise the following:

	2025 AED'000	2024 AED'000
Cash at bank and on hand	48,550	51,623
Bank deposits	449,176	392,677
	<hr/>	<hr/>
Cash and bank balances	497,726	444,300
Less: Bank deposits with maturity of more than 3 months	(449,176)	(264,893)
	<hr/>	<hr/>
Cash and cash equivalents	48,550	179,407

Cash and bank balances comprise cash and short-term bank deposits with an original maturity ranging from three months to one year. The carrying amount of these assets is approximately equal to their fair value. Bank deposits carry interest rates ranging from 3.40% p.a. to 5.00% p.a. (2024: 4.15% p.a. to 5.15% p.a.).

Balances with banks and short term bank deposits are assessed to have low credit risk of default since these banks are regulated by the Central Bank of the United Arab Emirates. Accordingly, the management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. Taking into account the historical default experience and the current credit ratings of the banks, the management of the Company have assessed that the credit risk associated with these is very low, if any, as at the end of reporting period, and hence have not recorded any expected credit loss allowances on these balances.

12. Share capital

	2025 AED'000	2024 AED'000
<i>Authorized issued and fully paid up:</i>		
90 million shares of AED 1 each	90,000	90,000

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

13. Statutory reserve

In accordance with UAE Federal Decree Law No. 32 of 2021, as amended, and the Company's articles of association, 10% of the annual profit of the Company is required to be transferred to a statutory reserve until the reserve equals 50% of the share capital. No transfer was made to the statutory reserve in 2025 (2024: AED nil) as the reserve has already reached 50% of the share capital. This reserve is not available for distribution except as stipulated by the law.

14. General reserve

In accordance with UAE Federal Decree Law No. 32 of 2021, as amended, and the Company's articles of association, 10% of the Company's net profit may be transferred to a general reserve to be used only for the purposes stated in the Company's article of association.

In accordance with Clause 70 of the Company's article of association, 10% of the net profit for each year should be transferred to this reserve and such transfers may cease when the reserve equals 5% of the paid-up share capital of the Company.

Subsequent to year end, during the Board of Directors' meeting held on 10 February 2026, the Directors have approved not to transfer any amount from retained earnings to general reserve balance as at 31 December 2025 (31 December 2024: AED Nil transfer to general reserve).

15. Investments revaluation reserve

On adoption of IFRS 9, the Company has classified the equity and debt instruments to be measured at FVTOCI and re-designated the related fair value reserve accordingly.

16. Dividends

Subsequent to the yearend, during the Board of Directors' meeting held on 10th February 2026, the Directors proposed a cash dividend of AED 1.1 per share totalling to AED 99 million relating to 2025 which will be paid to shareholders in April 2026 (2024: AED 1 per share totalling to AED 90 million relating to 2024).

Further, in addition to above, the Board of Directors proposed a one-time special cash dividend of AED 1.1 per share totalling to AED 99 million which will be paid to shareholders in October 2026 (2024: AED Nil) through a Board of Directors resolution to the eligible shareholders in accordance with SCA regulations. Both dividends are subject to the approval of the shareholders in the Annual General Meeting.

During the year, the Company paid dividend of AED 90 million relating to 2024 (2024: paid dividend of AED 288 million relating to 2023).

17. Provision for employees' end of service indemnity

	2025 AED'000	2024 AED'000
Balance at the beginning of the year	35,242	33,512
Charged during the year	5,720	3,912
Payments during the year	(4,709)	(2,182)
Balance at the end of the year	<u>36,253</u>	<u>35,242</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

18. Basic earnings per share

Basic and diluted earnings per share is calculated by dividing the profit after tax for the period attributable to the shareholders of the Company, net of directors' fees by the weighted average number of ordinary shares in issue during the period. There were no instruments or any other items which could cause a dilutive effect on the earnings per share calculation:

	2025	2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Profit for the year, net of directors' fee (AED'000)	152,673	129,628
Weighted average number of ordinary shares ('000)	90,000	90,000
	-----	-----
Earnings per ordinary share		
- Basic and diluted (AED)	1.70	1.44
	=====	=====

The Company has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

19. Related party transactions and balances

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 *Related Party Disclosures, and local laws*. Related parties comprise companies and entities under common ownership and/or common management and control and key management personnel.

The management decides on the terms and conditions of the transactions and of the services received/rendered from/to related parties, as well as on any other charges, which are substantially the same terms as those prevailing at the same time for comparable transactions with un-related parties.

a. *Significant transactions with Oman Refreshment Company included in the statement of profit or loss are as follows:*

	2025	2024
	AED'000	AED'000
Sales to a related party	3,716	1,202
Purchase from a related party	6,538	10,463
Dividend income	-	2,696
	-----	-----

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

19. Related party transactions and balances (continued)

b. Compensation of key management personnel

The remuneration of directors and other key members of management during the year was as follows:

	2025 AED'000	2024 AED'000
Short-term benefits	12,904	12,406
Directors' Fee	5,200	5,200
Employees' end of service benefits	2,566	1,454
Directors' sitting fee	310	360
	<u>20,980</u>	<u>19,420</u>

c. Significant balances with related parties included in the statement of financial position:

	2025 AED'000	2024 AED'000
<i>Due from a related party</i>		
<i>Other related party (included in trade and other receivables)</i>		
Oman Refreshment Company (Note 10)	463	276
	<u>463</u>	<u>276</u>
<i>Due to a related party</i>		
<i>Other related party (included in trade and other payables)</i>		
Oman Refreshment Company (Note 20)	1,065	1,147
	<u>1,065</u>	<u>1,147</u>

Amounts due from and due to a related party is not offset as management has assessed that these financial assets and liabilities do not meet the offset criteria described in *IAS 32 - Financial Instruments: Presentation*. Amount due from related parties are interest free and payable on demand.

20. Trade and other payables

	2025 AED'000	2024 AED'000
Trade payable	48,280	49,218
Accrued expenses	43,252	37,990
Accrual for staff costs	16,838	16,001
Contract liabilities	37,905	36,153
Advances from customers	11,507	10,767
Deferred income	12,436	13,174
Due to a related party (Note 19 (c))	1,065	1,147
Fair value of derivatives	-	23
Other payables	42,931	41,089
	<u>214,214</u>	<u>205,562</u>

Other payables include Board of Directors' fees of AED 5.2 million (2024: AED 5.2 million) payable to the directors of the Company.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

21. Lease liabilities

	2025 AED'000	2024 AED'000
Balance as at 1 January	84,514	89,516
Interest on lease liabilities (refer note 6)	5,080	3,188
Additions	34,048	14,493
Derecognition	(454)	(7,626)
Payments	(17,885)	(15,057)
	<hr/> 105,303 <hr/>	<hr/> 84,514 <hr/>
	2025 AED'000	2024 AED'000
Current	13,381	9,108
Non-current	91,922	75,406
	<hr/> 105,303 <hr/>	<hr/> 84,514 <hr/>

The total lease payments, including those for short term leases, amount to AED 23.9 million (2024: AED 22.5 million).

The maturity analysis of lease liabilities is as follows:

	2025 AED'000	2024 AED'000
<i>Maturity analysis</i>		
Not later than 1 year	13,381	9,108
Later than 1 year and not later than 5 years	41,740	26,079
Later than 5 years	50,182	49,327
	<hr/> 105,303 <hr/>	<hr/> 84,514 <hr/>

22. Revenue

	2025 AED'000	2024 AED'000
<i>Local</i>		
Long term contracts	557,453	525,837
Transaction based contracts	226,283	205,670
	<hr/> 783,736 <hr/>	<hr/> 731,507 <hr/>
<i>Export</i>		
Long term contracts	21,604	21,734
Transaction based contracts	71,860	64,744
	<hr/> 93,464 <hr/>	<hr/> 86,478 <hr/>
Total	<hr/> 877,200 <hr/>	<hr/> 817,985 <hr/>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

23. Other operating income

This includes deferred income recognized during the year amounting to AED 4.6 million (2024: AED 4.3 million).

24. Profit for the year before tax

The profit for the year before tax is stated after charging:

	2025 AED'000	2024 AED'000
Staff costs	119,533	113,732
Short term lease expenses	5,324	4,888
Depreciation of property, plant and equipment (Note 5a)	40,988	41,322
Depreciation of right of use asset (Note 6)	14,951	13,329
Gain on disposal of property, plant and equipment	(273)	(238)

Amount included in cost of sales:

	2025 AED'000	2024 AED'000
Staff costs	22,912	23,288
Short term lease expenses	523	532
Depreciation of property, plant and equipment	22,409	23,586
Depreciation of right of use asset	2,704	2,497

During the year ended 31 December 2025, social contributions made by the Company amounted to AED 24 thousand (2024: AED 27 thousand).

25. Income tax expense

The tax charge for year ended December 2025 is AED 15.7 million (31 December 2024: AED 13.7 million), representing an Effective Tax Rate ("ETR") of 9.06% (31 December 2024: 9.15 %). The ETR incorporates tax rates of the UAE.

	2025 AED'000	2024 AED'000
Income tax expense		
Income tax - current	15,731	13,681

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

25. Income tax expense (continued)

The charge for the year can be reconciled to the profit before tax as follows:

	2025 AED'000	2024 AED'000
Profit before tax	173,604	149,509
Tax at the UAE corporate tax rate of 9%	15,624	13,456
Tax effect of expenses that are not deductible in determining taxable profit	141	501
Tax effect on exempt amount	-	(242)
Tax effect on standard deduction	(34)	(34)
Total income tax for the year	15,731	13,681

The following table provides the movement of income tax liability:

	2025 AED'000	2024 AED'000
Balance as at 1 January	13,681	-
Provision made during the year	15,731	13,681
Payment during the year	(12,712)	-
Current tax liability	16,700	13,681

26. Contingencies and capital commitments

	2025 AED'000	2024 AED'000
Bank guarantees	5,991	6,560

As at 31 December 2025, there is no material capital commitments (31 December 2024: no material commitments).

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

27. Segment reporting

The Company operates in a single reporting segment of canning, bottling, distribution and trading of soft drinks and related beverages products. All the relevant information relating to this reporting/operating segment is disclosed in the statement of financial position, statement of profit or loss and notes to the financial statements.

Additional information required by IFRS 8 *Segment Reporting*, is disclosed below:

Information about geographical segments

During the year ended 31 December 2025, revenue from customers located in the Company's country of domicile (UAE) is AED 784 million (2024: AED 732 million) and revenue from customers outside UAE (foreign customers) is AED 93 million (2024: AED 86 million).

Major customer

During the year ended 31 December 2025, there were no customer of the Company with revenue greater than 10% of the total revenue of the Company (2024: Nil).

28. Financial risk management

The Company's principal financial liabilities comprise Trade and other payables and lease liabilities. The main purpose of these financial liabilities is to manage Company's cash flows. The Company has various financial assets such as Trade and other receivables, cash and bank balances, which arise directly from operations.

The main risk arising from Company's financial instruments are liquidity risk, market risk, credit risk, interest rate risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include term loans, bank deposits, investment securities and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is exposed to interest rate risk on its interest-bearing assets and liabilities (bank deposits, bonds and lease liabilities).

The following table demonstrates the sensitivity of the statement of profit or loss to reasonably possible changes in interest rates, with all other variables held constant. The sensitivity of the statement of profit or loss is the effect of the assumed changes in interest rates on the Company's result for one year, based on the floating rate financial assets held at 31 December.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

28. Financial risk management (continued)

Interest rate risk (continued)

There is no material impact on the Company's equity.

	Increase/ decrease in basis points	Effect on profit for the year AED'000
2025		
AED	+50	-
AED	-50	-
2024		
AED	+50	-
AED	-50	-

The Company does not have any interest bearing assets or liabilities at reporting date with variable interest (2024: Nil).

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates, The Company had the following significant net exposures denominated in foreign currencies in the form of bank balances. .

	2025 AED'000 Equivalent	2024 AED'000 Equivalent
Net assets:		
Euro	43	38

The below analysis calculates the effect of a reasonably possible movement of the AED currency rate against the above mentioned currency, with all other variables held constant, on the income (due to the fair value of currency sensitive monetary assets and liabilities).

	Increase/ decrease in exchange rate to the AED	Effect on profit for the year increase (decrease) AED'000	Effect on other comprehensive income for the year increase/ (decrease) AED'000
2025	+5%	2	-
	-5%	(2)	-
2024	+5%	2	-
	-5%	(2)	-

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

28. Financial risk management (continued)

Price risk

Price risk is the risk that the fair value of equities and debt instruments decreases as a result of changes in the levels of market index and the value of individual stocks. The Company's listed equity security is susceptible to market price risk arising from uncertainties about future values of the investment security.

The effect on equity (fair value reserve) as a result of a change in the fair value of financial instrument comprises of equity investment quoted on Muscat Securities Market Oman and debt instrument issued by CBD which are held as fair value through other comprehensive income at 31 December 2025 and 31 December 2024, due to reasonably possible changes in the prices of these quoted shares held by the Company, with all other variables held constant, is as follows:

	2025		2024	
	Increase/ decrease in market prices %	Effect on equity (fair value reserve) AED'000	Increase/ decrease in market prices %	Effect on equity (fair value reserve) AED'000
Market index – Investment	+10%	9,798	+10%	7,257
Impact of change in market prices	-10%	(9,798)	-10%	(7,257)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Company seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. The Company limits its credit risk with regard to bank deposits by only dealing with reputable banks. The Company also manages the risk through dealings with large diversified base of customers as well as local and foreign banks.

Credit risk is limited to the carrying values of financial assets in the statement of financial position.

With respect to credit risk arising from other financial assets of the Company, including bank balances, trade and other receivables, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

	2025 AED'000	2024 AED'000
Bank balances and deposits (Note 11)	449,176	392,677
Trade receivables (Note 10)	134,600	126,134
Investments in bonds	5,065	4,879
Due from a related party (Note 19)	463	276
Other receivables (Note 10)	66,497	48,291
Derivatives assets (Note 10)	600	-
	656,401	572,257

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

28. Financial risk management (continued)

Credit risk (continued)

Bank balances

The Company limits its credit risk with regard to bank balances by dealing only with reputable banks. The credit risk is limited to the carrying values of the financial assets. The credit rating of the banks which the company deals with has credit ratings of A+, A- and AA-.

Trade and other receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on internal criteria. Outstanding trade receivables are regularly monitored. The requirement for an impairment is analysed at each reporting date on an individual basis for major clients.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries.

Liquidity risk

The Company limits its liquidity risk by ensuring that adequate internally generated funds and bank facilities are available. The Company's terms of sales require amounts to be paid within 30 to 90 days from the date of sale, Trade payables are normally settled within 30 to 90 days from the date of purchase.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

31 December 2025	Carrying amount AED'000	Contractual Cash flows AED'000	One year Or less AED'000	More than One year AED'000
<i>Non-derivative financial liabilities:</i>				
Trade and other payables (excluding advances from customers and deferred income)	190,271	190,271	190,271	-
Lease liability	105,303	130,214	17,635	112,579
Total	295,574	320,485	207,906	112,579

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

28. Financial risk management (continued)

Liquidity risk (continued)

31 December 2024	Carrying amount AED'000	Contractual Cash flows AED'000	One year Or less AED'000	More than One year AED'000
<i>Non-derivative financial liabilities:</i>				
Trade and other payables (excluding advances from customers and deferred income)	181,621	181,621	181,621	-
Lease liability	84,514	117,210	11,043	106,167
Total	266,135	298,831	192,664	106,167

Contractual maturities related to lease liabilities disclosed in Note 21.

Capital management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximize shareholders' value.

The Company manages its capital structure in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024. Capital comprises share capital, reserves and retained earnings and is measured at AED 1.16 billion as at 31 December 2025 (2024: AED 1.07 billion).

29. Fair value of derivatives

Cash flow hedges

The Company also uses forward commodity contracts to manage some of its financing transaction exposures, highly probable transactions and commitment. The hedging relationship and objective, including details of the hedged item and hedging instrument, are formally documented and the transaction is accounted for as a cash flow hedge.

The cash flow hedges were assessed to be effective and as at 31 December 2025, a net unrealised gain of AED 0.6 million (2024: net unrealised loss of AED 1.1 million) was included in other comprehensive income in respect of these contracts.

The table below shows the fair valuation assets and liabilities of derivative financial instruments including cash flow hedges, which are equivalent to the market values, together with the notional amounts analysed by the term to maturity. The notional amount is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured, the notional amounts indicate the volume of transactions outstanding at year-end and are neither indicative of the market risk nor credit risk.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

29. Fair value of derivatives (continued)

Cash flow hedges (continued)

	Fair value AED'000	Notional amount AED'000	Within 1 year AED'000
Derivatives			
31 December 2025			
Designated as cash flow hedge	600	2,644	2,644
31 December 2024			
Designated as cash flow hedge	(23)	11,238	11,238

The fair value of derivatives is presented in the statement of financial position as.

	2025 AED'000	2024 AED'000
Derivative fair valuation assets - current assets (Note 10)	600	-
Derivative fair valuation liability - current liabilities (Note 20)	-	(23)

30. Fair values of financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash on hand and bank balances, receivables, derivatives and investment securities. Financial liabilities consist of bank borrowings, payables, contract liabilities and derivatives.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not base on observable market data.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

30. Fair values of financial instruments (continued)

As at reporting date, the Company held the following financial instruments measured at fair value:

Assets measured at fair value

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2024				
<i>Investment securities</i>				
Quoted equity shares consumer products sector (Note 8.a)	67,687	67,687	-	-
<i>Investment in bonds, Quoted</i>				
Investment in Bonds at FVTOCI (Note 8.b)	4,879	4,879	-	-
Negative fair value of derivatives - held as cash flow hedge (Note 20)	23	-	23	-
2025				
<i>Investment securities</i>				
Quoted equity shares consumer products sector (Note 8.a)	92,915	92,915	-	-
<i>Investment in bonds, Quoted</i>				
Investment in Bonds at FVTOCI (Note 8.b)	5,065	5,065	-	-
Positive fair value of derivatives - held as cash flow hedge (Note 20)	600	-	600	-

31. Comparative information

Certain comparative information have been reclassified / regrouped, wherever necessary, to conform to the presentation adopted in these financial statements. None of these reclassification had an impact on the reported results or net assets as of and for the year ended 31 December 2024.

32. Approval of financial statements

The financial statements were approved by the Board of Directors and authorized for issue on 10th February 2026.