

Foodco Holding PJSC

Condensed consolidated interim financial information

31 March 2022

Principal business address:

P.O. Box 2378

Abu Dhabi

United Arab Emirates

Foodco Holding PJSC

Condensed consolidated interim financial information

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Foodco Holding PJSC

REPORT OF THE BOARD OF DIRECTORS

31 March 2022

The Directors have pleasure in submitting their report and the condensed consolidated interim financial information for the period ended 31 March 2022.

Principal activities

The principal activity of the Company and its subsidiaries (together, the "Group") is primarily the import and distribution of foodstuff and household items in the United Arab Emirates, along with investing, development and management of real estate and commercial enterprises. The objectives of the Group include investment in or establishment of companies in the same line of business and investment in or establishment of factories in the processing or canning of foodstuff as well as engagement in all operations and investments in and outside the United Arab Emirates.

Financial results

The results of the Group for the period ended 31 March 2022 are set out on page 6 of the Condensed consolidated interim financial information.

For and on behalf of Board of Directors



Chairman of the Board



KPMG Lower Gulf Limited
Level 19, Nation Tower 2
Corniche Road, P.O. Box 7613
Abu Dhabi, United Arab Emirates
Tel. +971 (2) 401 4800, www.kpmg.com/ae

Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Statements

Introduction

We have reviewed the accompanying 31 March 2022 condensed consolidated interim financial statements of Foodco Holding PJSC ("the Company") and its subsidiaries (collectively referred to as the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2022;
- the condensed consolidated interim statement of profit or loss for the three-month period ended 31 March 2022;
- the condensed consolidated interim statement of other comprehensive income for the three-month period ended 31 March 2022;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2022;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2022; and
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2022 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Abu Dhabi, United Arab Emirates

Date: 13 May 2022

Foodco Holding PJSC

Condensed consolidated interim statement of financial position

As at

	<i>Notes</i>	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Assets			
Non-current assets			
Property and equipment		64,885,077	60,351,897
Intangible assets		612,874	787,850
Right-of-use assets		7,944,131	8,154,987
Investment properties	5	242,012,006	242,012,006
Equity-accounted investee	6	293,619,442	292,931,271
Investments held at fair value through other comprehensive income ("FVTOCI")	7	17,897,523	19,738,327
Total non-current assets		626,971,053	623,976,338
Current assets			
Inventories	8	21,161,689	26,427,210
Investments held at fair value through profit or loss ("FVTPL")	7	265,092,192	273,630,705
Trade and other receivables	9	86,376,833	10,791,313
Prepayment		1,705,762	1,807,306
Amounts due from related parties	14	1,494,474	1,243,983
Cash and cash equivalents	10	30,172,967	20,017,138
Total current assets		406,003,917	333,917,655
Total assets		1,032,974,970	957,893,993
Equity			
Share capital		120,000,000	120,000,000
Legal reserve		60,000,000	60,000,000
Regulatory reserve		60,000,000	60,000,000
Fair value reserve		(39,926,639)	(38,085,835)
Retained earnings		316,764,690	305,790,338
Equity attributable to Owners of the Company		516,838,051	507,704,503
Non-controlling interests		5,477,926	5,587,848
Total equity		522,315,977	513,292,351

Foodco Holding PJSC

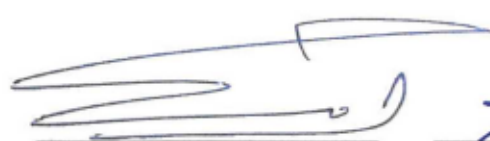

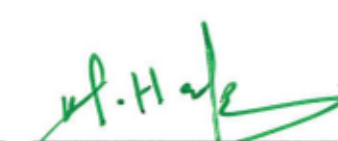
Condensed consolidated interim statement of financial position *(continued)*

As at

	Notes	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits		3,903,600	3,714,125
Lease liabilities		7,509,679	7,662,745
Loans and borrowings	11	155,945,148	153,945,147
Total non-current liabilities		167,358,427	165,322,017
Current liabilities			
Lease liabilities		638,459	687,273
Loans and borrowings	11	269,808,306	199,770,454
Amounts due to related parties	14	503,079	658,964
Trade and other payables	12	72,350,722	78,162,934
Total current liabilities		343,300,566	279,279,625
Total liabilities		510,658,993	444,601,642
Total equity and liabilities		1,032,974,970	957,893,993

To the best of our knowledge, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.

This condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors on 11 May 2022, and was signed on their behalf by:

		
Ahmed Ali Khalfan Al Dhaheeri Chairman	Rashed Darwaish Ahmed Saif AlKetbi Vice Chairman	Mohammed Hafez Chief Financial Officer

The notes set out on pages 11 to 28 form an integral part of these condensed consolidated interim financial information.

The independent auditors' report on review of these condensed consolidated interim financial information is set out on pages 2 and 3.

Foodco Holding PJSC

Condensed consolidated interim statement of profit or loss for the three-month period ended

		31 March 2022 (Unaudited)	31 March 2021 (Unaudited) <i>Restated*</i>
	<i>Note</i>		
Revenue from contracts with customers	13	17,471,719	15,792,806
Income from investment properties	13	8,398,332	6,248,489
Net income from investments	13	(1,850,306)	18,243,051
		24,019,745	40,284,346
Direct costs		(15,269,138)	(14,366,603)
Selling and distribution expenses		(4,440,242)	(2,139,399)
General and administrative expenses		(4,325,113)	(4,117,809)
Impairment loss on trade receivables		(177,996)	(198,071)
Share of results of associate	6	12,907,991	82,330,627
Other income		792,289	3,360,761
Operating profit		13,507,536	105,153,852
Finance costs		(2,643,106)	(4,428,630)
Profit for the period		10,864,430	100,725,222
Attributable to:			
Owners of the Company		10,974,352	100,813,337
Non-controlling interests		(109,922)	(88,115)
		10,864,430	100,725,222
Basic and diluted earnings per share	16	0.09	0.84

The notes set out on pages 11 to 28 form an integral part of these condensed consolidated interim financial information.

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* Comparative information has been restated (*refer note 20*).

Foodco Holding PJSC

Condensed consolidated interim statement of other comprehensive income
for the three-month period ended

	31 March 2022 (Unaudited)	31 March 2021 (Unaudited) <i>Restated*</i>
Profit for the period	10,864,430	100,725,222
Other comprehensive income / (loss): <i>Items that will not be reclassified to profit or loss</i>		
Net changes in fair value of investments held at fair value through other comprehensive income (FVTOCI)	(1,840,804)	3,189,341
Associate – share of other comprehensive loss	-	(5,940)
Other comprehensive (loss) / income for the period	(1,840,804)	3,183,401
Total comprehensive income for the period	9,023,626	103,908,623
Attributable to:		
Owners of the Company	9,133,548	103,995,454
Non-controlling interests	(109,922)	(86,831)
	9,023,626	103,908,623

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Condensed consolidated interim statement of changes in equity

for the three-month period ended

	Share capital AED	Legal reserve AED	Regulatory reserve AED	Fair value reserve AED	Retained earnings AED	Equity attributable to Owners of the Company AED	Non-controlling interests ("NCI") AED	Total AED
At 1 January 2021 (Audited)	120,000,000	60,000,000	60,000,000	(114,529,085)	269,518,444	394,989,359	3,481,541	398,470,900
Total comprehensive income for the period								
Profit / (loss) for the period (restated*)	-	-	-	-	100,813,337	100,813,337	(88,115)	100,725,222
Other comprehensive income (restated*)	-	-	-	3,182,117	-	3,182,117	1,284	3,183,401
Total comprehensive income / (loss) for the period (restated*)	-	-	-	3,182,117	100,813,337	103,995,454	(86,831)	103,908,623
Transfer to retained earnings (restated*)	-	-	-	78,920,136	(78,920,136)	-	-	-
Changes in ownership interests								
Change in NCI without a loss of control	-	-	-	-	(2,592,000)	(2,592,000)	2,592,000	-
At 31 March 2021 (Unaudited) (restated*)	120,000,000	60,000,000	60,000,000	(32,426,832)	288,819,645	496,392,813	5,986,710	502,379,523
At 1 January 2022 (Audited)	120,000,000	60,000,000	60,000,000	(38,085,835)	305,790,338	507,704,503	5,587,848	513,292,351
Total comprehensive income for the period								
Profit / (loss) for the period	-	-	-	-	10,974,352	10,974,352	(109,922)	10,864,430
Other comprehensive loss	-	-	-	(1,840,804)	-	(1,840,804)	-	(1,840,804)
At 31 March 2022 (Unaudited)	120,000,000	60,000,000	60,000,000	(39,926,639)	316,764,690	516,838,051	5,477,926	522,315,977

The notes set out on pages 11 to 28 form an integral part of these condensed consolidated interim financial information.

* Comparative information has been restated (refer note 20).

Foodco Holding PJSC

Condensed consolidated interim statement of cash flows for the three-month period ended

	31 March 2022 AED (Unaudited)	31 March 2021 AED (Unaudited) (Restated*)
Cash flows from operating activities		
Profit for the period	10,864,430	100,725,222
<i>Adjustments for:</i>		
Depreciation of property and equipment	911,401	1,231,370
Depreciation of right-of-use assets	210,856	1,915,550
Amortisation of intangible assets	174,976	202,736
Finance costs	2,643,106	4,428,630
Provision for employees' end of service benefits	316,311	179,326
Net changes in fair value of investment carried at fair value through profit or loss	7,190,025	(14,347,553)
Dividend income	(5,339,719)	(3,895,498)
Provision for expected credit losses on trade and other receivables, net	177,996	198,071
Provision for slow moving inventories	659,813	75,000
Reversal of provision for slow moving inventories	(637,192)	(282,842)
Share of results of associate	(12,907,991)	(82,330,627)
	4,264,012	8,099,385
<i>Changes in:</i>		
- inventories	5,242,900	5,905,987
- trade and other receivables	(58,495,685)	5,455,538
- amounts due from related parties	(250,491)	633
- trade and other payables	(5,812,212)	7,424,576
- amounts due to related parties	(155,885)	(979,875)
	(55,207,361)	25,906,244
Employees end of service benefits paid	(126,836)	(123,553)
Purchase of investments	(5,010,385)	(10,225,380)
Proceeds from disposal of investments	6,358,873	9,307,772
Dividends received	393,252	3,895,498
Net cash (used in) / generated from operating activities	(53,592,457)	28,760,581
Cash flows from investing activities:		
Acquisition of property and equipment	(5,444,581)	(723,852)

... continued

Foodco Holding PJSC

Condensed consolidated interim statement of cash flows *(continued)*
for the three-month period ended

	31 March 2022 AED (Unaudited)	31 March 2021 AED (Unaudited) <i>(Restated*)</i>
Cash flows from financing activities		
Proceeds from borrowings	1,821,401	31,956,719
Repayment of borrowings	(6,939,383)	(31,655,507)
Payment of lease liabilities	(332,499)	(1,912,500)
Finance cost paid	(2,512,487)	(6,241,067)
Net cash used in financing activities	<u>(7,962,968)</u>	<u>(7,852,355)</u>
Net (decrease) / increase in cash and cash equivalents	(67,000,006)	20,184,374
Cash and cash equivalents at 1 January	<u>(66,283,006)</u>	<u>(195,614,198)</u>
Cash and cash equivalents at 31 March <i>(note 10)</i>	<u>(133,283,012)</u>	<u>(175,429,824)</u>

The notes set out on pages 11 to 28 form an integral part of these condensed consolidated interim financial information.

The independent auditors' report on review of these condensed consolidated interim financial information is set out on pages 2 and 3.

* Comparative information has been restated *(refer note 20)*.

Foodco Holding PJSC

Notes to the condensed consolidated interim financial information

1 Legal status and principal activities

Foodco Holding PJSC (the "Company") is a public shareholding company incorporated in Abu Dhabi, United Arab Emirates. The Company was established in 1979. It is regulated and listed on the Abu Dhabi Securities Exchange.

The Company and its subsidiaries (*collectively referred to as the "Group"*) are primarily engaged in the import and distribution of foodstuff and household items in the United Arab Emirates, along with investing, development and management of real estate and commercial enterprises. The objectives of the Company and its subsidiaries include investment in or establishment of companies in the same line of business and investment in or establishment of factories in the processing or canning of foodstuff as well as engagement in all operations and investments in and outside the United Arab Emirates.

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

Name of subsidiary	Country of incorporation	Percentage of ownership			Principal activities
		31-Mar-2022	31-Dec-2021	31-Mar-2021	
Subsidiaries directly under the Company					
Oasis National Foodstuff	UAE	100%	100%	100%	Packing of foodstuff
FOODCO National Foodstuff PJSC	UAE	97.79%*	97.79%	97.79%	Catering services and restaurant business
Abu Dhabi National Catering LLC	UAE	100%	100%	100%	Catering services and wholesale of foodstuff
Dana Plaza Real-Estate LLC	UAE	100%	100%	100%	Investing, development and management of real estate and commercial enterprises
NURANA Properties WLL	Bahrain	100%	100%	-	Investing, development and management of real estate and commercial enterprises

* Included in the 97.79% shareholding of the Group in FOODCO National Foodstuff PJSC, 1.25% shares which amount to 3,500,000 shares that are hold under "Liquidity Provision Agreement" in reference to "ADX Liquidity Provider Regulations" by a third-party licensed Market Maker.

Foodco Holding PJSC

Notes to the condensed consolidated interim financial information

1 Legal status and principal activities (continued)

Name of subsidiary	Country of incorporation	Percentage of ownership			Principal activities
		31-Mar-2022	31-Dec-2021	31-Mar-2021	
Subsidiary of FOODCO National Foodstuff PJSC					
Abu Dhabi National Foodstuff Co LLC	UAE	100%	100%	100%	Wholesale and distribution of foodstuff
5PL Logistics LLC	UAE	100%	100%	100%	Shipment, clearance and warehousing services

Subsequent to period ended 31 March 2022, the shareholders of the Company have resolved in the Annual General Meeting held on 26th April 2022 to change the name of the Company from Foodco Holding PJSC to Hily Holding PJSC.

2 Statement of compliance

The condensed consolidated interim financial information has been prepared in accordance with IAS 34, "Interim Financial Reporting" and complies where appropriate, with relevant Articles of Association and the requirements of the UAE Federal Law No. 32 of 2021. It does not include all the information required for full annual consolidated financial information and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group's financial position and performance since the last financial statements.

The Group is required, for the period ended 31 March 2022 to be in compliance with the provisions of the UAE Federal Law No. 2 of 2015, as amended. On 20 September 2021, the UAE Federal Decree Law No. 32 of 2021 was issued and came into effect on 2 January 2022 which repealed the UAE Federal Law No. 2 of 2015 (as amended). The Group has 12 months from 2 January 2022 to comply with the provisions of the UAE Federal Decree Law No 32 of 2021.

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Notes to the condensed consolidated interim financial information

3 Significant accounting policies

The accounting policies applied in this condensed consolidated interim financial information are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2021.

The following amendments to existing standards and framework have been applied by the Group in preparation of these condensed consolidated interim financial statements. The adoption of the below did not result in changes to previously reported net profit or equity of the Group.

New standard or amendments	Effective date
Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to IAS 37 – Onerous contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to IFRS 3 - Reference to Conceptual Framework	1 January 2022
Annual Improvements to IFRS Standards 2018–2020	1 January 2022

Forthcoming requirements

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

New standard or amendments	Effective date
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8 - Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 1 - Classification of Liabilities as Current or Non-current	1 January 2023
IFRS 17 – Insurance Contracts and amendments to IFRS 17 Insurance Contracts	1 January 2023
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date deferred indefinitely

Foodco Holding PJSC

Notes to the condensed consolidated interim financial information

4 Use of judgements and estimates

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

5 Investment properties

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Warehouses	16,060,868	16,060,868
Building – commercial and residential	225,951,138	225,951,138
	<u>242,012,006</u>	<u>242,012,006</u>

The movements in the investment properties during the period / year were as follows:

	Three-month period ended 31 March 2022 AED (Unaudited)	Year ended 31 December 2021 AED (Audited)
As at 1 January	242,012,006	258,714,106
Transferred from investment properties under development	-	75,913
Change in fair value of investment properties	-	(16,778,013)
At the end of the period / year	<u>242,012,006</u>	<u>242,012,006</u>

Fair value of investment properties has been determined based on an internal valuation carried out by the Group's management as at 31 December 2021.

Management believes that the fair value as of 31 March 2022 remained consistent with the value determined in December 2021.

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Notes to the condensed consolidated interim financial information

5 Investment properties (continued)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
31 March 2022 (Unaudited)				
Investment properties	-	-	242,012,006	242,012,006
31 December 2021 (Audited)				
Investment properties	-	-	242,012,006	242,012,006

6 Equity-accounted investee

Name	Domiciled	% of equity held		Principal activities
		2022	2021	
Al Waha Capital PJSC	UAE	8.8034%	8.8034%	Investment in a wide range of sectors including financial services, capital markets, industrial real estates, infrastructure, healthcare, fintech and oil and gas.

At 1 January 2021, the Group received confirmation from two shareholders of Al Waha Capital PJSC (“investee”) who own 8.6% and 4% in Al Waha Capital PJSC, respectively, stating that they have assigned their voting rights in favour of the Group and will represent the Group's interest in the Board of the investee. This assignment resulted in the Group having meaningful representation in the Board of Directors of the investee. Accordingly, the investee is considered as an associate effective 1 January 2021 with its shareholding of 8.8034% as at that date.

The movement in Equity-accounted investee during the period is as follows:

	31 March 2022 AED	31 December 2021 AED
Opening balance	292,931,271	-
Transferred from investment held at FVTOCI (note 7)	-	133,121,998
Transferred from investment held at FVTPL (note 7)	-	61,150,244
Share of profit	12,907,991	34,424,776
Gain on recognition	-	73,970,500
Dividends	(12,219,820)	(9,711,157)
Share of revaluation reserve	-	(25,090)
	293,619,442	292,931,271

Investment in associate securities with a quantity of 65,474,579 (31 December 2021: 65,474,579) shares are pledged with commercial banks for securing term loans.

Foodco Holding PJSC

Notes to the condensed consolidated interim financial information

7 Investment in securities

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Investments held at fair value through other comprehensive income ("FVTOCI")	17,897,523	19,738,327
Investments held at fair value through profit and loss ("FVTPL")	265,092,192	273,630,705
	<u>282,989,715</u>	<u>293,369,032</u>

The investments at FVTOCI comprise:

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Investments in quoted equity securities inside UAE	12,881,132	14,171,747
Investments in quoted equity securities outside UAE	2,823,970	3,374,161
Investments in unquoted equity securities inside UAE	1,728,486	463,935
Investments in unquoted equity securities outside UAE	463,935	1,728,484
	<u>17,897,523</u>	<u>19,738,327</u>

The investments held at FVTPL comprise:

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Investments in quoted equity securities inside UAE	259,120,319	266,494,366
Investments in mutual funds outside UAE	-	421,005
Investments in quoted equity securities outside UAE	5,289,714	4,856,627
Quoted commodities outside UAE	682,159	1,858,707
	<u>265,092,192</u>	<u>273,630,705</u>

Foodco Holding PJSC

Notes to the condensed consolidated interim financial information

7 Investment in securities (continued)

The movement in financial assets was as follows:

	At fair value through profit or loss Three-month period ended 31 March 2022 AED (Unaudited)	At fair value through other comprehensive income Three-month period ended 31 March 2022 AED (Unaudited)	At fair value through profit or loss Year ended 31 December 2021 AED (Audited)	At fair value through other comprehensive income Year ended 31 December 2021 AED (Audited)
At 1 January	273,630,705	19,738,327	334,186,853	163,068,927
Purchase of financial assets	5,010,385	-	74,337,971	5,868,954
Disposal of financial assets	(6,358,873)	-	(78,743,497)	(10,603,990)
Increase in fair value	(7,190,025)	(1,840,804)	4,999,622	(5,473,566)
Transfer to equity accounted investment	-	-	(61,150,244)	(133,121,998)
At end of the period / year	<u>265,092,192</u>	<u>17,897,523</u>	<u>273,630,705</u>	<u>19,738,327</u>

Investments measured at fair value by level of the fair value hierarchy are as follow:

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
31 March 2022				
Investments held at FVTPL (quoted)	<u>265,092,192</u>	-	-	<u>265,092,192</u>
Investments held at FVTOCI:				
Quoted shares	15,705,102	-	-	15,705,102
Unquoted shares	-	-	2,192,421	2,192,421
	<u>15,705,102</u>	-	<u>2,192,421</u>	<u>17,897,523</u>
Total	<u>280,797,294</u>	-	<u>2,192,421</u>	<u>282,989,715</u>
	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
31 December 2021				
Investments held at FVTPL	<u>273,630,705</u>	-	-	<u>273,630,705</u>
Investments held at FVTOCI:				
Quoted shares	17,545,908	-	-	17,545,908
Unquoted shares	-	-	2,192,419	2,192,419
	<u>17,545,908</u>	-	<u>2,192,419</u>	<u>19,738,327</u>
Total	<u>291,176,613</u>	-	<u>2,192,419</u>	<u>293,369,032</u>

Foodco Holding PJSC

Notes to the condensed consolidated interim financial information

8 Inventories

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Goods for resale	21,002,217	25,472,222
Consumables	1,229,675	2,002,570
	22,231,892	27,474,792
Less: allowance for slow moving inventories	(1,070,203)	(1,047,582)
	21,161,689	26,427,210

Movement in allowance for slow moving inventories is as follows:

	Three-month period ended 31 March 2022 AED (Unaudited)	Year ended 31 December 2021 AED (Audited)
At 1 January	1,047,582	1,324,864
Charge for the period / year	659,813	300,000*
Reversed during the period / year	(637,192)	(577,282)*
	1,070,203	1,047,582

* For the purpose of statement of cash flows, amounts for the three-month period ended 31 March 2021 are as follows:

	31 March 2021 AED (Unaudited)
Charge for the period	75,000
Reversed during the period	(282,842)

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Notes to the condensed consolidated interim financial information

9 Trade and other receivables

	31 March 2022 (Unaudited) AED	31 December 2021 (Audited) AED
Trade receivables	41,428,246	33,206,727
Less: allowance for impairment of doubtful trade receivables	(25,066,939)	(24,888,943)
	16,361,307	8,317,784
Advances*	49,061,713	3,266,341
Other receivables**	23,979,120	2,232,495
Less: impairment losses on advances and other receivables	(3,025,307)	(3,025,307)
	86,376,833	10,791,313

Movement in allowance for impairment of doubtful trade receivables is as follows:

	Three-month period ended 31 March 2022 AED (Unaudited)	Year ended 31 December 2021 AED (Audited)
At 1 January	24,888,943	24,604,468
Charge for the period / year	177,996	284,475*
At the end of the period / year	25,066,939	24,888,943

* For the purpose of statement of cash flows, amounts for the three-month period ended 31 March 2021 are as follows:

	31 March 2021 AED (Unaudited)
Charge for the period	198,071

*Included in the "Advances" balance as of 31 March 2022 is a net advance payment amounting to AED 45.0 million made for the purchase of DEWA shares.

**Other receivable as of 31 March 2022 includes dividend receivable from Group's Associate amounting to AED 12.2 million.

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Notes to the condensed consolidated interim financial information

10 Cash and cash equivalents

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Cash and bank balances - cash and cash equivalents in the statement of financial position	30,172,967	20,017,138
Less: bank overdrafts repayable on demand and used for cash management purposes (<i>note 11</i>)	(163,455,979)	(86,300,144)
Cash and cash equivalents in the statement of cash flows	<u>(133,283,012)</u>	<u>(66,283,006)</u>

11 Borrowings

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Bank borrowings	256,141,249	263,080,632
Trust receipts	6,156,226	4,334,825
Bank overdrafts	163,455,979	86,300,144
	<u>425,753,454</u>	<u>353,715,601</u>

Bank overdrafts, trust receipts and bank borrowings are repayable as follows:

	31 March 2022 AED	31 December 2021 AED
Current portion	269,808,306	199,770,454
Non-current portion	155,945,148	153,945,147
	<u>425,753,454</u>	<u>353,715,601</u>

The average interest rates during the period were as follows:

March 2022 and December 2021

Bank overdrafts	1 month EIBOR + margin
Term loans	1 to 3 months EIBOR + margin
Trust receipts	3 months EIBOR + margin

Borrowings are partially secured by:

- Corporate guarantee of the Company;
- Investment properties;
- Undated security cheques; and
- Investment in securities.

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Notes to the condensed consolidated interim financial information

12 Trade and other payables

	31 March 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Trade payables	31,324,009	37,988,755
Accruals	21,915,076	24,396,180
Advance from customers	13,977,020	4,788,911
Retention payable	-	4,726,621
Other payables	5,134,617	6,262,467
	<u>72,350,722</u>	<u>78,162,934</u>

13 Income

	Three-month period ended	
	31 March 2022 AED (Unaudited)	31 March 2021 AED (Unaudited) <i>Restated*</i>
Income from trading	17,471,719	15,792,806
Income from investment properties	8,398,332	6,248,489
(Loss) / income from investments	(1,850,306)	18,243,051
	<u>24,019,745</u>	<u>40,284,346</u>

Income from trading

	Three-month period ended	
	31 March 2022 AED (Unaudited)	31 March 2021 AED (Unaudited)
Sale of goods	15,778,556	14,733,386
Freight forwarding and storage	1,693,163	1,059,420
	<u>17,471,719</u>	<u>15,792,806</u>

Income from investment properties

	Three-month period ended	
	31 March 2022 AED (Unaudited)	31 March 2021 AED (Unaudited)
Rental income	8,398,332	6,248,489
	<u>8,398,332</u>	<u>6,248,489</u>

* Comparative information has been restated (refer note 20).

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13 Income (continued)

(Loss) / Income from investments

	Three-month period ended	
	31 March 2022	31 March 2021
	AED	AED
	(Unaudited)	(Unaudited)
		<i>Restated*</i>
Dividend income	5,339,719	3,895,498
Net changes in fair value of investments held at FVTPL	(7,190,025)	14,347,553
	(1,850,306)	18,243,051

14 Related party transaction and balances

In the ordinary course of business, the Group enters into transactions which are carried out on commercially agreed terms, with other business enterprises or individuals that fall within the definition of a related party contained in International Accounting Standard 24. The Group has a related party relationship with its executive officers and business entities over which they can exercise significant influence or which can exercise significant influence over the Group.

Transactions and balances with related parties

Significant transactions with related parties comprise:

	Three-month period ended	
	31 March 2022	31 March 2021
	AED	AED
	(Unaudited)	(Unaudited)
Sales to entities under common directorship	257,996	458,534
Purchases and other charges from entities under common directorship	6,996	229,469
Amounts due from related parties		
	31 March	31 December
	2022	2021
	AED	AED
	(Unaudited)	(Audited)
Board of Directors	126,387	80,061
Shareholders	1,368,087	1,163,922
	1,494,474	1,243,983

* Comparative information has been restated (refer note 20).

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Notes to the condensed consolidated interim financial information

14 Related party transaction and balances *(continued)*

Amounts due to related parties

	31 March 2022	31 December 2021
	AED	AED
	(Unaudited)	(Audited)
Board of Directors	503,079	1,371
Shareholders	-	657,593
	<u>503,079</u>	<u>658,964</u>

Amount due from / due to related parties are unsecured, interest free and receivable / payable on demand, unless otherwise stated.

Key management personnel compensation

The remuneration of key management was as follows:

	Three-month period ended	
	31 March 2022	31 March 2021
	AED	AED
	(Unaudited)	(Unaudited)
Key management compensation	<u>615,791</u>	<u>514,725</u>

15 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at the end for the year ended 31 December 2021, except as disclosed in the related notes to this condensed consolidated interim financial information.

16 Basic and diluted earnings per share

	Three-month period ended	
	31 March 2022	31 March 2021
	(Unaudited)	(Unaudited)
		<i>Restated*</i>
Profit for the period attributable to owners of the Company (AED)	10,974,352	100,813,337
Weighted-average number of ordinary shares	120,000,000	120,000,000
Basic and diluted earnings per share (AED)	<u>0.09</u>	<u>0.84</u>

17 Commitments and contingent liabilities

	31 March 2022	31 December 2021
	AED	AED
	(Unaudited)	(Audited)
Bank guarantees	<u>2,132,608</u>	<u>2,651,503</u>
Letter of Credit	<u>309,769</u>	<u>300,287</u>

* Comparative information has been restated (refer note 20).

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Notes to the condensed consolidated interim financial information

18 Segment information

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

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

- (i) Investing in securities (“Investment in securities”);
- (ii) Investing in properties (“Investment properties”);
- (iii) Marine, air and land shipment services along with management and operation of store and warehouses (“Freight forwarding and storage”); and
- (iv) Wholesale and distribution of food products (“Trading”).

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

Information regarding these segments is presented below:

For the three-months period ended 31 March 2022 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Income /loss – external	<u>(1,850,306)</u>	<u>8,398,332</u>	<u>1,693,163</u>	<u>15,778,556</u>	<u>-</u>	<u>-</u>	<u>24,019,745</u>
Income – internal	<u>-</u>	<u>-</u>	<u>2,163,093</u>	<u>-</u>	<u>-</u>	<u>(2,163,093)</u>	<u>-</u>
Profit / (loss) for the period	<u>9,302,236</u>	<u>6,527,815</u>	<u>(60,687)</u>	<u>(5,084,159)</u>	<u>(5,199)</u>	<u>184,424</u>	<u>10,864,430</u>

For the three-month period ended 31 March 2021 (Unaudited):

	Investment in securities <i>Restated*</i> AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated <i>Restated*</i> AED
Income – external	<u>18,243,051</u>	<u>6,248,489</u>	<u>1,059,420</u>	<u>14,733,386</u>	<u>-</u>	<u>-</u>	<u>40,284,346</u>
Income – internal	<u>-</u>	<u>-</u>	<u>2,275,832</u>	<u>-</u>	<u>-</u>	<u>(2,275,832)</u>	<u>-</u>
Profit / (loss) for the period	<u>93,172,774</u>	<u>10,097,098</u>	<u>(804,078)</u>	<u>(1,480,103)</u>	<u>(239,750)</u>	<u>(20,719)</u>	<u>100,725,222</u>

* Comparative information has been restated (refer note 20).

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Notes to the condensed consolidated interim financial information

18 Segment information (continued)

The segment assets and liabilities are as follows:

As at 31 March 2022 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Assets	878,733,775	280,632,974	70,753,376	192,510,306	6,165,637	(395,821,098)	1,032,974,970
Liabilities	478,293,846	20,260,059	86,135,064	36,079,581	635,029	(110,744,586)	510,658,993

As at 31 December 2021 (Audited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Assets	1,053,124,167	264,770,561	61,668,413	196,350,584	2,843,142	(620,862,874)	957,893,993
Liabilities	411,049,864	251,533,808	76,989,411	35,704,192	45,094	(330,720,727)	444,601,642

19 Cyclicity of the operations

The Group's dividend income is subject to fluctuations as dividend income for majority of the investees are announced annually in the first quarter. As a result, dividend income is lower for the remaining quarters of the year.

20 Correction of error

At 1 January 2021, the Group received confirmation from two shareholders of Al Waha Capital PJSC ("investee") who owns 8.6% and 4% in Al Waha Capital PJSC, respectively, stating that they have assigned their voting rights in favour of the Group and will represent the Group's interest in the Board of the investee. This assignment resulted in the Group having meaningful representation in the Board of Directors of the investee. Accordingly, the investee is considered as an associate from 1 January 2021, and the Group has restated its condensed consolidated interim financial information for the three-month period ended 31 March 2021 to reflect Al Waha Capital PJSC as an associate effective 1 January 2021 with its shareholding of 8.8034%.

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Notes to the condensed consolidated interim financial information

20 Correction of error (continued)

The following table summarizes the impact on the Group's condensed interim financial information.

	Three months ended 31 March 2021		
	As previously reported AED	Adjustments AED	As Restated AED
<i>Condensed consolidated interim statement of profit or loss</i>			
<i>Income / (loss) from investment in securities</i>			
Net change in fair value of investment held at FVTPL	15,366,724	(1,019,171)	14,347,553
	<u>15,366,724</u>	<u>(1,019,171)</u>	<u>14,347,553</u>
<i>Investment in associate</i>			
Gain on recognition of associate	-	72,595,701	72,595,701
Share of profit of associate	-	9,734,926	9,734,926
	<u>-</u>	<u>82,330,627</u>	<u>82,330,627</u>
Others	4,047,042	-	4,047,042
	<u>4,047,042</u>	<u>-</u>	<u>4,047,042</u>
Profit for the period	<u>19,413,766</u>	<u>81,311,456</u>	<u>100,725,222</u>
Basic and diluted earnings per share	<u>0.16</u>	<u>0.68</u>	<u>0.84</u>
<i>Condensed consolidated interim statement of other comprehensive income</i>			
Net changes in fair value of investments held at FVTOCI	5,357,269	(2,167,928)	3,189,341
Associate – share of other comprehensive loss	-	(5,940)	(5,940)
	<u>5,357,269</u>	<u>(2,173,868)</u>	<u>3,183,401</u>
Other comprehensive income for the period	<u>5,357,269</u>	<u>(2,173,868)</u>	<u>3,183,401</u>
<i>Total comprehensive income for the period</i>			
Profit for the period	19,413,766	81,311,456	100,725,222
Other comprehensive income for the period	5,357,269	(2,173,868)	3,183,401
	<u>19,413,766</u>	<u>81,311,456</u>	<u>100,725,222</u>
Total comprehensive income for the period	<u>24,771,035</u>	<u>79,137,588</u>	<u>103,908,623</u>

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Notes to the condensed consolidated interim financial information

20 Correction of error (continued)

	As of 31 March 2021		
	As previously reported AED	Adjustments AED	As Restated AED
Condensed consolidated interim statement of changes in equity			
Fair value reserve	(109,173,100)	76,746,268	(32,426,832)
Retained earnings			
- Fair value reserve	-	(76,746,268)	(76,746,268)
- Profit for the period	19,413,766	81,311,456	100,725,222
- Other comprehensive income for the period	5,357,269	(2,173,868)	3,183,401
- Others	261,657,290	-	261,657,290
Retained earnings	286,428,325	2,391,320	288,819,645
Others	245,986,710	-	245,986,710
Total equity	423,241,935	79,137,588	502,379,523
Condensed consolidated interim statement of cash flows			
Cash flows from operating activities			
Profit for the period	19,413,766	81,311,456	100,725,222
Gain on recognition of associate	-	(72,595,701)	(72,595,701)
Share of profit of associate	-	(9,734,926)	(9,734,926)
Net changes in fair value of investments held at FVTPL	(15,366,724)	1,019,171	(14,347,553)
Others	24,713,539	-	24,713,539
Total	28,760,581	-	28,760,581

The above correction of error does not have any impact on cashflows from investing and financing activities.

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Notes to the condensed consolidated interim financial information

21 COVID-19

The widespread of the Covid-19 since the beginning of 2020 is a fluid and challenging situation facing all industries. The Group had performed an assessment of the overall impact of the situation on the Group's operations, including the recoverability of the carrying amount of assets, measurements of its assets and liabilities. Management is of the opinion that the situation will not have a material financial impact on the Group's results for the next financial year / period.