

**Hily Holding PJSC (formerly known as Foodco
Holding PJSC)**

Condensed consolidated interim financial statements

30 September 2022

Principal business address:

P.O. Box 2378
Abu Dhabi
United Arab Emirates

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Condensed consolidated interim financial statements

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Hily Holding PJSC (formerly known as Foodco Holding PJSC)

REPORT OF THE BOARD OF DIRECTORS

30 September 2022

The Directors have pleasure in submitting their report and the condensed consolidated interim financial statements for the period ended 30 September 2022.

Principal activities

The principal activity of the Company and its subsidiaries (together, the "Group") is primarily the management of securities portfolios, along with investing, development and management of real estate and commercial enterprises. The Group is also engaged in the importing and distribution of foodstuff and household items in the United Arab Emirates.

Financial results

The results of the Group for the period ended 30 September 2022 are set out on page 6 of the condensed consolidated interim financial statements.

For and on behalf of Board of Directors



Chairman of the Board



KPMG Lower Gulf Limited
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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Introduction

We have reviewed the accompanying 30 September 2022 condensed consolidated interim financial statements of Hily Holding PJSC (formerly known as Foodco Holding PJSC) ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise:

- the condensed consolidated interim statement of financial position as at 30 September 2022;
- the condensed consolidated interim statement of profit or loss for the three-month and nine-month periods ended 30 September 2022;
- the condensed consolidated interim statement of comprehensive income for the three-month and nine-month periods ended 30 September 2022;
- the condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2022;
- the condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 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.



Hily Holding PJSC (formerly known as Foodco Holding PJSC)
*Independent Auditors' Report on Review of
Condensed Consolidated Interim Financial statements
30 September 2022*

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 condensed consolidated 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 30 September 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: **10 NOV 2022**

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Condensed consolidated interim statement of financial position

As at

	<i>Notes</i>	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Assets			
Non-current assets			
Property, plant and equipment		63,421,837	60,351,897
Intangible assets		405,577	787,850
Right-of-use assets		7,522,417	8,154,987
Investment properties	5	243,472,943	242,012,006
Equity-accounted investee	6	311,368,543	292,931,271
Investments held at fair value through other comprehensive income ("FVTOCI")	7	28,826,055	19,738,327
Investment at amortized cost	7	8,164,953	-
Total non-current assets		663,182,325	623,976,338
Current assets			
Inventories	8	21,167,304	26,427,210
Investments held at fair value through profit or loss ("FVTPL")	7	165,229,911	273,630,705
Trade and other receivables	9	16,233,191	10,791,313
Prepayment		1,843,756	1,807,306
Amounts due from related parties	14	2,024,618	1,243,983
Cash and cash equivalents	10	85,430,889	20,017,138
Total current assets		291,929,669	333,917,655
Total assets		955,111,994	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		(39,208,022)	(38,085,835)
Retained earnings		381,889,278	305,790,338
Equity attributable to Owners of the Company		582,681,256	507,704,503
Non-controlling interests		5,231,132	5,587,848
Total equity		587,912,388	513,292,351

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Hily Holding PJSC (formerly known as Foodco Holding PJSC)

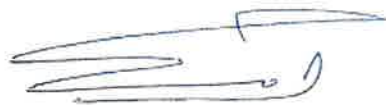
Condensed consolidated interim statement of financial position (continued)

As at

	Notes	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits		3,862,292	3,714,125
Lease liabilities		7,115,532	7,662,745
Borrowings	11	225,749,162	153,945,147
Total non-current liabilities		236,726,986	165,322,017
Current liabilities			
Lease liabilities		638,459	687,273
Loans and borrowings	11	72,607,275	199,770,454
Trade and other payables	12	56,691,188	78,162,934
Amounts due to related parties	14	535,698	658,964
Total current liabilities		130,472,620	279,279,625
Total liabilities		367,199,606	444,601,642
Total equity and liabilities		955,111,994	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 statements is not prepared, in all material respects, in accordance with IAS 34.


These condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on **09 NOV 2022** and was signed on their behalf by:



Ahmed Ali Khalfan Al Dhaheri
Chairman



Rashed Darwaish Ahmed Saif AlKetbi
Vice Chairman



Mohammed Hafez
Chief Financial Officer

The notes set out on pages 10 to 26 form an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on pages 1 and 2.

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Condensed consolidated interim statement of profit or loss for the

	Notes	Three-month period ended 30 September		Nine-month period ended 30 September	
		2022 AED (Unaudited)	2021 AED (Unaudited)	2022 AED (Unaudited)	2021 AED (Unaudited)
Income comprises:					
- Income from trading	13	9,003,756	8,979,582	37,130,913	33,392,033
- Income from investment properties	13	7,884,720	6,899,453	25,371,420	24,444,789
- Income / (loss) from investment in securities	13	55,499,926	(17,455,140)	66,581,855	6,425,518
		<u>72,388,402</u>	<u>(1,576,105)</u>	<u>129,084,188</u>	<u>64,262,340</u>
Cost of sales		<u>(6,508,313)</u>	<u>(8,300,359)</u>	<u>(31,430,028)</u>	<u>(30,616,706)</u>
		<u>65,880,089</u>	<u>(9,876,464)</u>	<u>97,654,160</u>	<u>33,645,634</u>
General and administrative expenses		<u>(5,549,083)</u>	<u>(7,245,488)</u>	<u>(13,260,826)</u>	<u>(17,827,828)</u>
Selling and distribution expenses		<u>(4,800,070)</u>	<u>(3,922,968)</u>	<u>(14,262,930)</u>	<u>(12,139,538)</u>
Impairment loss on trade receivables, advances to suppliers and other receivables		<u>(96,484)</u>	<u>(163,305)</u>	<u>(364,952)</u>	<u>(468,407)</u>
Share of results of associate	6	9,548,191	2,822,293	18,723,892	98,701,407
Other (loss) / income		<u>(21,095)</u>	<u>(39,534)</u>	<u>564,124</u>	<u>2,599,083</u>
Operating profit / (loss)		<u>64,961,548</u>	<u>(18,425,466)</u>	<u>89,053,468</u>	<u>104,510,351</u>
Finance costs		<u>(5,218,475)</u>	<u>(1,872,031)</u>	<u>(13,315,089)</u>	<u>(8,343,876)</u>
Profit / (loss) for the period		<u>59,743,073</u>	<u>(20,297,497)</u>	<u>75,738,379</u>	<u>96,166,475</u>
Attributable to:					
Owners of the Company		59,918,302	(20,180,167)	76,095,095	96,452,795
Non-controlling interests		<u>(175,229)</u>	<u>(117,330)</u>	<u>(356,716)</u>	<u>(286,320)</u>
		<u>59,743,073</u>	<u>(20,297,497)</u>	<u>75,738,379</u>	<u>96,166,475</u>
Basic and diluted earnings / (loss) per share	16	<u>0.50</u>	<u>(0.17)</u>	<u>0.63</u>	<u>0.80</u>

The notes set out on pages 10 to 26 form an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on pages 1 and 2.

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Condensed consolidated interim statement of other comprehensive income for the

	Notes	Three-month period ended 30 September		Nine-month period ended 30 September	
		2022 AED	2021 AED	2022 AED	2021 AED
Profit / (loss) for the period		59,743,073	(20,297,497)	75,738,379	96,166,475
Other comprehensive loss:					
<i>Items that may be reclassified to profit or loss</i>					
Other comprehensive income / (loss)		-	3,785	3,845	(2,683)
<i>Items that will not be reclassified to profit or loss</i>					
Net changes in fair value of investments held at FVTOCI	7	(69,034)	(2,983,108)	(1,099,688)	(3,025,076)
Associate – share of other comprehensive loss	6	(22,499)	-	(22,499)	-
Other comprehensive loss for the period		(91,533)	(2,979,323)	(1,118,342)	(3,027,759)
Total comprehensive income / (loss) for the period		59,651,540	(23,276,820)	74,620,037	93,138,716
Attributable to:					
Owners of the Company		59,826,769	(23,152,512)	74,976,753	93,425,036
Non-controlling interests		(175,229)	(124,308)	(356,716)	(286,320)
		59,651,540	(23,276,820)	74,620,037	93,138,716

The notes set out on pages 10 to 26 form an integral part of these condensed consolidated interim financial statements.

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Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Condensed consolidated interim statement of changes in equity for the nine-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	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 <i>for the period</i>	-	-	-	-	96,452,795	96,452,795	(286,320)	96,166,475
Profit for the period	-	-	-	(3,025,076)	(2,683)	(3,027,759)	-	(3,027,759)
Other comprehensive loss	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(3,025,076)	96,450,112	93,425,036	(286,320)	93,138,716
Transfer to retained earnings	-	-	-	78,914,196	(78,914,196)	-	-	-
Changes in ownership interests Disposal of NCI without a change in control	-	-	-	-	1,835,788	1,835,788	2,542,320	4,378,108
At 30 September 2021 (Unaudited)	120,000,000	60,000,000	60,000,000	(38,639,965)	288,890,148	490,250,183	5,737,541	495,987,724
At 1 January	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	-	-	-	-	76,095,095	76,095,095	(356,716)	75,738,379
Profit for the period	-	-	-	(1,122,187)	3,845	(1,118,342)	-	(1,118,342)
Other comprehensive loss	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(1,122,187)	76,098,940	74,976,753	(356,716)	74,620,037
At 30 September 2022 (Unaudited)	120,000,000	60,000,000	60,000,000	(39,208,022)	381,889,278	582,681,256	5,231,132	587,912,388

The notes set out on pages 10 to 26 form an integral part of these condensed consolidated interim financial statements.

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

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

	30 September 2022 AED (Unaudited)	30 September 2021 AED (Unaudited)
Cash flows from operating activities		
Profit for the period	75,738,379	96,166,475
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	2,759,926	3,147,256
Depreciation of right-of-use assets	632,570	620,361
Amortization of intangible assets	555,112	530,263
Loss on disposal of investment properties under development	-	584,000
Finance costs	13,315,089	8,343,876
Provision for employees' end of service benefits	613,081	445,626
Net changes in fair value of investments held at FVTPL	7,221,703	(169,078)
Gain on disposal of investments held at FVTPL	(64,987,474)	(1,572,453)
Impairment loss on trade receivables, advances to suppliers and other receivables	364,952	468,407
Dividend income	(8,472,757)	(4,683,987)
Provision for slow moving inventories	225,000	225,000
Share of results of associate	(18,723,892)	(98,701,407)
Interest income on investment at amortized cost	(343,327)	-
	<u>8,898,362</u>	<u>5,404,339</u>
<i>Changes in:</i>		
- Inventories	5,034,906	11,598,706
- Trade and other receivables	(7,069,250)	8,994,512
- Amounts due from related parties	(780,635)	539,117
- Trade and other payables	(21,471,746)	5,161,105
- Amounts due to related parties	(123,266)	(1,760,177)
	<u>(15,511,629)</u>	<u>29,937,602</u>
Employees' end of service benefits paid	(464,914)	(559,246)
Purchase of investment in securities	(171,716,688)	(29,207,466)
Purchase of investment at amortized cost	(8,115,866)	-
Proceeds from disposal of investment in securities	327,699,682	50,333,547
Dividends received	9,698,727	4,683,987
Dividends received from associate	12,219,820	9,711,115
Interest received from investment at amortized cost	294,240	-
Investment in additional shares of an existing associate	(11,955,699)	-
Proceeds from disposal of investment properties under development	-	4,934,050
Net cash generated from operating activities	<u>142,147,673</u>	<u>69,833,589</u>

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Hily Holding PJSC (formerly known as Foodco Holding PJSC)

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

	30 September 2022 AED (Unaudited)	30 September 2021 AED (Unaudited)
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,060,582)	(579,557)
Proceeds from disposal of property, plant and equipment	230,716	-
Improvements made on an investment property	(1,460,937)	-
Purchase of intangible assets	(172,839)	-
Net cash used in investing activities	<u>(7,463,642)</u>	<u>(579,557)</u>
Cash flows from financing activities		
Proceeds from borrowings	53,424,763	377,214,057
Repayment of borrowings	(72,649,260)	(411,988,080)
Payment of lease liabilities	(955,391)	(1,004,164)
Finance costs paid	(12,955,725)	(5,551,252)
Net cash used in financing activities	<u>(33,135,613)</u>	<u>(41,329,439)</u>
Net increase in cash and cash equivalents	101,548,418	27,924,593
Cash and cash equivalents at 1 January	(66,283,006)	(195,614,198)
Cash and cash equivalents at 30 September	<u><u>35,265,412</u></u>	<u><u>(167,689,605)</u></u>

The notes set out on pages 10 to 26 form an integral part of these condensed consolidated interim financial statements.

The independent auditors' report on review of these condensed consolidated interim financial statements is set out on pages 1 and 2.

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Notes to the condensed consolidated interim financial statements

1 Legal status and principal activities

Hily Holding PJSC (formerly known as 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. On 26 May 2022, the Company's name was changed from Foodco Holding PJSC to Hily Holding PJSC.

The Company and its subsidiaries (*collectively referred to as the "Group"*) are primarily engaged in the management of securities portfolios, along with investing, development and management of real estate and commercial enterprises. The Group is also engaged in the importing and distribution of foodstuff and household items in the United Arab Emirates.

These condensed consolidated interim financial statements include the financial position and the financial performance of the following subsidiaries:

Name of subsidiary	Country of incorporation	Percentage of ownership			Principal activities
		30 September 2022	31 December 2021	30 September 2021	
Subsidiaries directly under the Company					
National Oasis Foodstuff Company LLC	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%	100%	Investing, development and management of real estate and commercial enterprises
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

* 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 were held under "Liquidity Provision Agreement" in reference to "ADX Liquidity Provider Regulations" by a third-party licensed Market Maker. This agreement has come to an end and the shares have reverted to the Group.

** Shares in FOODCO National Foodstuff PJSC with a quantity of 40,350 (31 December 2021: nil) shares are pledged with commercial banks for securing overdraft facility. (Note 11)

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Notes to the condensed consolidated interim financial statements

2 Statement of compliance

The condensed consolidated interim financial statements 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 statements 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.

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. 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.

3 Significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements 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 standards 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

Foodco Holding PJSC

Notes to the condensed consolidated interim financial statements

3 Significant accounting policies *(continued)*

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 Noncurrent	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

4 Use of judgements and estimates

The preparation of condensed consolidated interim financial statements 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 statements, 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.

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Notes to the condensed consolidated interim financial statements

5 Investment properties

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Warehouses	16,060,868	16,060,868
Building - commercial and residential	227,412,075	225,951,138
	<u>243,472,943</u>	<u>242,012,006</u>

During the period, the Group has made an addition of AED 1.46 million in respect of cladding work performed related to C-32 building.

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

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
As at 1 January	242,012,006	258,714,106
Transferred from investment properties under development	-	75,913
Additions during the year	1,460,937	-
Change in fair value of investment properties	-	(16,778,013)
At the end of the period / year	<u>243,472,943</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.

Given that there were no significant changes in the inputs used in the December 2021 valuation and no major or drastic changes to the property market in the UAE, management believes that the fair value as of 30 September 2022 remains consistent with the value determined in December 2021. Management intends to reperform its internal valuation in December 2022.

Investment properties amounting to AED 160,675,091 (31 December 2021: AED 225,951,138) are mortgaged against loans and borrowings (note 11) obtained by the Group to finance the construction of the properties.

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
30 September 2022 (Unaudited)				
Investment properties	-	-	243,472,943	243,472,943
31 December 2021 (Audited)				
Investment properties	-	-	242,012,006	242,012,006

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Notes to the condensed consolidated interim financial statements

6 Equity-accounted investee

Name	Domiciled	% of equity held		Principal activities
		30-Sep-22	31-Dec-21	
Al Waha Capital PJSC	UAE	9.24%	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. During the nine-month period ended 30 September 2022, the Company has invested in additional shares of the associate, which has increased its shareholding to 9.24% as of 30 September 2022.

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

	Nine-month period ended 30 September 2022 AED	Year ended 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
Purchase	11,955,699	-
Share of profit	16,080,186	34,424,776
Gain on recognition	2,643,706	73,970,500
Dividends	(12,219,820)	(9,711,157)
Share of change in other reserves	(22,499)	(25,090)
	311,368,543	292,931,271

Investment in associate securities with a quantity of 67,078,706 (31 December 2021: 65,474,579) shares are pledged with commercial banks for securing term loans.

For the purpose of statement of cashflows, amounts for the nine-month period ended 30 September 2021 are as follows:

	30 September 2021 AED (Unaudited)
Share of profit	26,105,706
Gain on recognition	72,595,701
	98,701,407

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Notes to the condensed consolidated interim financial statements

7 Investments

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Investments held at fair value through other comprehensive income ("FVTOCI")	28,826,055	19,738,327
Investments held at fair value through profit and loss ("FVTPL")	165,229,911	273,630,705
Investment at amortized cost	8,164,953	-
	<u>202,220,919</u>	<u>293,369,032</u>

The investments held at FVTOCI comprise:

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Investments in quoted equity securities inside UAE	24,084,742	14,171,747
Investments in quoted equity securities outside UAE	2,571,309	3,374,161
Investments in unquoted equity securities inside UAE	1,728,487	1,728,484
Investments in unquoted equity securities outside UAE	441,517	463,935
	<u>28,826,055</u>	<u>19,738,327</u>

The investments held at FVTPL comprise:

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Investments in quoted equity securities inside UAE	159,960,668	266,494,366
Investments in quoted equity securities outside UAE	603,411	1,858,707
Quoted commodities	4,665,832	4,856,627
Investments in mutual funds outside UAE	-	421,005
	<u>165,229,911</u>	<u>273,630,705</u>

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Notes to the condensed consolidated interim financial statements

7 Investments (continued)

Investment at amortized cost:

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
At 1 January	-	-
Purchase of financial assets	8,115,866	-
Interest income for the period	343,327	-
Interest received	(294,240)	-
	<u>8,164,953</u>	<u>-</u>

This investment consists of Turkish Sukuks with a coupon rate of 7.5% per annum. 22,090 units were purchased during the period, with an issue price of 100 USD per unit. These Sukuks are currently in the name of the Chairman and assigned to the Company.

The movement in financial assets was as follows:

	FVTPL Nine-month Period ended 30 September 2022 AED (Unaudited)	FVOCI Nine-month period ended 30 September 2022 AED (Unaudited)	FVTPL Year ended 31 December 2021 AED (Audited)	FVOCI 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	160,300,623	11,416,065	74,337,971	5,868,954
Disposal of financial assets	(261,479,714)	(1,228,649)	(78,743,497)	(10,603,990)
Change in fair value	(7,221,703)	(1,099,688)	4,999,622	(5,473,566)
Transferred to equity accounted investment	-	-	(61,150,244)	(133,121,998)
At end of the period / year	<u>165,229,911</u>	<u>28,826,055</u>	<u>273,630,705</u>	<u>19,738,327</u>

* For the purpose of statement of cashflows, amounts for the nine-month period ended 30 September 2021 are as follows:

	FVTPL 30 September 2021 AED (Unaudited)	FVOCI 30 September 2021 AED (Unaudited)
Purchase of financial assets	23,338,513	5,868,953
Disposal of financial assets	(39,730,984)	(10,602,563)
Change in fair value	1,741,531	(3,025,076)

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7 Investments (continued)

The following table represents the Group's investments, segregated by the level of inputs used to measure each investment's fair value according to the fair value hierarchy set out by IFRS 13:

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
30 September 2022				
Investments held at FVTPL	165,229,911	-	-	165,229,911
Investments held at FVTOCI:				
Quoted shares	26,656,051	-	-	26,656,051
Unquoted shares	-	-	2,170,004	2,170,004
	26,656,051	-	2,170,004	28,826,055
Total	191,885,962	-	2,170,004	194,055,966

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
31 December 2021				
Investments held at FVTPL:	273,630,705	-	-	273,630,705
Investments held at FVTOCI:				
Quoted shares	17,545,908	-	-	17,545,908
Unquoted shares	-	-	2,192,419	2,192,419
	17,545,908	-	2,192,419	19,738,327
Total	291,176,613	-	2,192,419	293,369,032

8 Inventories

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Goods for resale	20,257,769	25,472,222
Consumables	1,834,771	2,002,570
	22,092,540	27,474,792
Less: allowance for slow moving inventories	(925,236)	(1,047,582)
	21,167,304	26,427,210

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8 Inventories (continued)

Movement in allowance for slow moving inventories is as follows:

	Nine-month Period ended 30 September 2022 AED (Unaudited)	Year ended 31 December 2021 AED (Audited)
At 1 January	1,047,582	1,324,864
Charge for the period / year	225,000	300,000
Written off during the period / year	(347,346)	(577,282)
	<u>925,236</u>	<u>1,047,582</u>

* For the purpose of statement of cashflows, amounts for the nine-month period ended 30 September 2021 are as follows:

	30 September 2021 AED (Unaudited)
Charge for the period	225,000
Written off during the period	(476,597)

9 Trade and other receivables

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Trade receivables	37,802,619	33,206,727
Less: allowance for expected credit loss	(25,457,682)	(24,888,943)
	<u>12,344,937</u>	<u>8,317,784</u>
Advances to suppliers	3,266,341	3,266,341
Other receivables	3,647,220	2,232,495
Less: allowance for expected credit loss on advances to suppliers and other receivables	(3,025,307)	(3,025,307)
	<u>16,233,191</u>	<u>10,791,313</u>

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Notes to the condensed consolidated interim financial statements

9 Trade and other receivables *(continued)*

Movement in allowance for expected credit loss on trade receivables is as follows:

	Nine-month period ended 30 September 2022 AED (Unaudited)	Year ended 31 December 2021 AED (Audited)
At 1 January	24,888,943	24,604,468
Charge for the period/year	364,952	284,475
Written off during the period/year	(16,714)	-
Transfer from other provision	220,501	-
	<u>25,457,682</u>	<u>24,888,943</u>
At the end of the period / year	<u>25,457,682</u>	<u>24,888,943</u>

* For the purpose of statement of cashflows, amounts for the nine-month period ended 30 September 2021 are as follows:

	30 September 2021 AED (Unaudited)
Charge for the period	<u>468,407</u>

10 Cash and cash equivalents

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Cash and bank balances - cash and cash equivalents in the statement of financial position	85,430,889	20,017,138
Less: bank overdrafts repayable on demand and used for cash management purposes <i>(note 11)</i>	(50,165,477)	(86,300,144)
Cash and cash equivalents in the statement of cash flows	<u>35,265,412</u>	<u>(66,283,006)</u>

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11 Borrowings

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Bank borrowings	240,029,860	263,080,632
Trust receipts	8,161,100	4,334,825
Bank overdrafts (note 10)	50,165,477	86,300,144
	<u>298,356,437</u>	<u>353,715,601</u>

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

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Current portion	72,607,275	199,770,454
Non-current portion	225,749,162	153,945,147
	<u>298,356,437</u>	<u>353,715,601</u>

The average interest rates during the period were as follows:

September 2022 and December 2021

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

Borrowings are partially secured by:

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

12 Trade and other payables

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Trade payables	24,818,876	37,988,755
Accruals	17,206,699	24,396,180
Advances from customers	9,513,993	4,788,911
Retention payable	-	4,726,621
Other payables	5,151,620	6,262,467
	<u>56,691,188</u>	<u>78,162,934</u>

Hily Holding PJSC (formerly known as Foodco Holding PJSC)

Notes to the condensed consolidated interim financial statements

13 Income and other income

Income from trading

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2022	2021	2022	2021
	AED	AED	AED	AED
Sale of goods	7,116,619	7,576,785	32,065,919	29,978,071
Freight forwarding and storage	1,887,137	1,402,797	5,064,994	3,413,962
	<u>9,003,756</u>	<u>8,979,582</u>	<u>37,130,913</u>	<u>33,392,033</u>

Income from investment properties

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2022	2021	2022	2021
	AED	AED	AED	AED
Rental income	<u>7,884,720</u>	<u>6,899,453</u>	<u>25,371,420</u>	<u>24,444,789</u>

Income from investments

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2022	2021	2022	2021
	AED	AED	AED	AED
Dividend income	1,229,977	692,985	8,472,757	4,683,987
Gain on sale of investment	64,011,350	1,250,761	64,987,474	1,572,453
Net change in fair value of investment held at FVTPL	(9,888,539)	(19,398,886)	(7,221,703)	169,078
Interest income on amortised investments	147,138	-	343,327	-
	<u>55,499,926</u>	<u>(17,455,140)</u>	<u>66,581,855</u>	<u>6,425,518</u>

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Notes to the condensed consolidated interim financial statements

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 IAS 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 30 September		Nine-month period ended 30 September	
	2022 AED (Unaudited)	2021 AED (Unaudited)	2022 AED (Unaudited)	2021 AED (Unaudited)
Sales to entities under common directorship	378,120	-	782,367	463,411
Purchases and other charges from entities under common directorship	23,624	-	254,700	270,460

Amounts due from related parties

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Board of directors	82,890	80,061
Shareholders	1,941,728	1,163,922
	<u>2,024,618</u>	<u>1,243,983</u>

Amounts due to related parties

	30 September 2022 AED (Unaudited)	31 December 2021 AED (Audited)
Board of directors	535,698	657,593
Shareholders	-	1,371
	<u>535,698</u>	<u>658,964</u>

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Notes to the condensed consolidated interim financial statements

14 Related party transaction and balances *(continued)*

Key management personnel compensation

The remuneration of Directors and key management personnel was as follows:

	Three-month period ended 30		Nine-month period ended 30	
	September		September	
	2022	2021	2022	2021
	AED	AED	AED	AED
Directors and key management personnel compensation	409,362	659,498	1,384,780	1,910,948

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 in these condensed consolidated interim financial statements.

16 Basic and diluted (loss) / earnings per share

	Three-month period ended		Nine-month period ended	
	30 September		30 September	
	2022	2021	2022	2021
	AED	AED	AED	AED
Profit / (loss) for the period attributable to Owners of the Company (AED)	59,918,302	(20,180,167)	76,095,095	96,452,795
Weighted-average number of ordinary shares	120,000,000	120,000,000	120,000,000	120,000,000
Basic and diluted earnings / (loss) per share (AED)	0.50	(0.17)	0.63	0.80

17 Commitments and contingent liabilities

	30 September	31 December
	2022	2021
	AED	AED
	(Unaudited)	(Audited)
Bank guarantees	2,091,952	2,651,503
Letter of credit	322,993	300,287

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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.

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Notes to the condensed consolidated interim financial statements

18 Segment information (continued)

Information regarding these segments is presented below:

For the nine-month period ended 30 September 2022 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Income – external	66,581,855	25,371,420	5,064,994	32,065,919	-	-	129,084,188
Income – internal	-	-	5,593,138	-	-	(5,593,138)	-
Profit / (loss) for the period	67,378,925	19,637,845	(1,023,386)	(12,442,789)	(2,586,560)	4,774,344	75,738,379

For the nine-month period ended 30 September 2021 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Income – external	6,425,518	24,444,789	3,413,962	29,978,071	-	-	64,262,340
Income – internal	-	-	5,065,746	700,885	-	(5,766,631)	-
Profit / (loss) for the period	89,612,222	19,608,863	(2,355,724)	(10,854,699)	(22,852)	178,665	96,166,475

For the three-month period ended 30 September 2022 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Income – external	55,499,926	7,884,720	1,887,137	7,116,619	-	-	72,388,402
Income – internal	-	-	1,553,515	-	-	(1,553,515)	-
Profit / (loss) for the period	57,427,956	5,384,932	(582,804)	(4,704,804)	(2,523,525)	4,741,318	59,743,073

For the three-month period ended 30 September 2021 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
(Loss) / income – external	(17,455,140)	6,899,453	1,402,797	7,576,785	-	-	(1,576,105)
Income – internal	-	-	1,007,108	-	-	(1,007,108)	-
(Loss) / profit for the period	(20,370,160)	5,525,864	3,907,395	(9,404,833)	143,715	(99,478)	(20,297,497)

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18 Segment information (continued)

The segment assets and liabilities are as follows:

As at 30 September 2022 (Unaudited):

	Investment in securities AED	Investment properties AED	Freight forwarding and storage AED	Trading AED	Others AED	Eliminations AED	Consolidated AED
Assets	820,496,344	295,700,459	71,416,397	188,017,531	24,364,288	(444,883,025)	955,111,994
Liabilities	362,718,164	20,756,578	87,760,782	39,813,928	2,335,078	(146,184,924)	367,199,606

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.