Ghitha Holding PJSC

(formerly "Zee Store PJSC")

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF GHITHA HOLDING PJSC (FORMERLY "ZEE STORE PJSC")

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Ghitha Holding PJSC (formerly "Zee Store PJSC") (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 September 2022, comprising of the interim consolidated statement of financial position as at 30 September 2022, and the related interim consolidated statements of profit or loss and comprehensive income for the three and nine month periods then ended and the related interim consolidated statements of changes in equity and cash flows for the nine months period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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

Signed by:
Raed Ahmad
Partner
Ernst & Young
Registration No 811

26 October 2022
Abu Dhabi

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the three and nine month periods ended 30 September 2022

		Three months ended 30 September		*Nine months ended 30 September*	
	Notes	***2022 AED***	*2021 AED*	***2022 AED***	*2021 AED*
Revenue from contract with customers	6	**626,131,208**	128,171,213	**1,508,254,283**	409,337,586
Cost of sales		**(537,265,192)**	(111,782,437)	**(1,252,684,210)**	(354,581,387)
GROSS PROFIT		**88,866,016**	16,388,776	**255,570,073**	54,756,199
General and administrative expenses		**(53,325,929)**	(10,403,102)	**(119,466,436)**	(29,765,793)
Selling and distribution expenses		**(14,632,542)**	-	**(35,979,775)**	-
Share of gain (loss) from investment in associates and joint ventures	8	**1,667,284**	-	**(18,489,806)**	-
Gain on disposal of an investment in a joint venture	8	**-**	-	**37,379,439**	-
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal	8	**-**	-	**(7,077,215)**	-
Changes in fair value of investments carried at fair value through profit or loss	9	**44,264,842**	6,169,697	**22,886,687**	10,399,697
Other income		**5,199,621**	306,761	**13,429,637**	913,302
Finance costs		**(3,155,802)**	(694,162)	**(7,745,417)**	(1,837,145)
Profit before tax		**68,883,490**	11,767,970	**140,507,187**	34,466,260
Income tax		**1,162,980**	-	**1,162,980**	-
PROFIT FOR THE PERIOD		**70,046,470**	11,767,970	**141,670,167**	34,466,260
Attributable to:					
Owners of the Company		**52,341,478**	11,445,098	**114,008,923**	32,392,713
Non-controlling interests		**17,704,992**	322,872	**27,661,244**	2,073,547
		70,046,470	11,767,970	**141,670,167**	34,466,260
Basic earnings per share (AED)	14	**0.22**	0.11	**0.63**	0.32

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the three and nine month periods ended 30 September 2022

		Three months ended 30 September		*Nine months ended 30 September*	
	Notes	***2022 AED***	*2021 AED*	***2022 AED***	*2021 AED*
PROFIT FOR THE PERIOD		**70,046,470**	11,767,970	**141,670,167**	34,466,260
Other comprehensive loss:					
Items that may be reclassified subsequently to profit or loss:					
Foreign exchange difference on translation of foreign operations		**(7,227,609)**	-	**(44,435,979)**	-
Share of other comprehensive loss of a joint ventures		**-**	-	**(7,077,215)**	-
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal		**-**	-	**7,077,215**	-
Items that will not be reclassified subsequently to profit or loss:					
Decrease in fair value of investments at fair value through other comprehensive income	9	**(92,349)**	-	**(12,991,871)**	-
Total other comprehensive loss		**(7,319,958)**	-	**(57,427,850)**	-
Total comprehensive income for the period		**62,726,512**	11,767,970	**84,242,317**	34,466,260
Attributable to:					
Owners of the Company		**45,066,306**	11,445,098	**62,881,611**	32,392,713
Non-controlling interests		**17,660,206**	322,872	**21,360,706**	2,073,547
		62,726,512	11,767,970	**84,242,317**	34,466,260

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2022

	Notes	*(Unaudited)* *30 September 2022* *AED*	*(Audited)* *31 December 2021* *AED*
ASSETS			
Non-current assets			
Property, plant and equipment	7	**975,986,077**	490,878,121
Intangible assets and goodwill		**54,997,409**	42,563,178
Right-of-use assets		**71,523,179**	26,917,842
Investment in associates and joint ventures	8	**217,240,242**	270,498,616
Biological assets		**46,679,703**	30,551,343
Investment in financial assets	9	**197,140,061**	-
		1,563,566,671	861,409,100
Current assets			
Inventories		**208,526,738**	80,147,957
Biological assets		**13,111,444**	4,974,217
Investments in financial assets	9	**684,217,021**	82,747,019
Trade and other receivables	10	**843,575,207**	153,686,553
Amounts due from related parties	15	**643,585,914**	131,144,869
Cash and bank balances	11	**222,934,036**	174,705,329
		2,615,950,360	627,405,944
TOTAL ASSETS		**4,179,517,031**	1,488,815,044
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**241,600,000**	100,000,000
Contributed capital	12	**12,294,193**	12,294,193
Merger reserve		**1,644,323,747**	716,162,699
Statutory reserve	13	**7,492,015**	7,492,015
Cumulative changes on revaluation of investments		**(6,691,333)**	-
Currency translation reserve		**(44,435,979)**	-
Retained earnings		**213,814,507**	99,239,759
Equity attributable to owners of the Company		**2,068,397,150**	935,188,666
Non-controlling interests		**1,035,881,825**	28,141,782
Total equity		**3,104,278,975**	963,330,448
Non-current liabilities			
Employees' end of service benefits		**23,665,683**	10,184,753
Lease liabilities		**74,985,531**	26,890,723
Bank borrowings		**57,824,807**	40,437,243
Loans from related parties	15	**15,000,000**	-
Deferred tax liabilities		**364,900**	1,887,875
		171,840,921	79,400,594
Current liabilities			
Trade and other payables		**421,643,058**	227,000,430
Amounts due to related parties	15	**233,533,191**	101,622,888
Loans from related parties	15	**217,235,389**	80,811,111
Lease liabilities		**3,473,001**	1,884,122
Bank borrowings		**27,512,496**	34,765,451
		903,397,135	446,084,002
Total liabilities		**1,075,238,056**	525,484,596
TOTAL EQUITY AND LIABILITIES		**4,179,517,031**	1,488,815,044

Chief Executive Officer

Chief Financial Officer

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months period ended 30 September 2022

	Attributable to equity holders of the Company									
	Share capital AED	*Contributed capital AED*	*Merger reserve AED*	*Statutory reserve AED*	*Currency translation reserve AED*	*Cumulative changes on revaluation of investments AED*	*Retained earnings AED*	*Total AED*	*Non-controlling interest AED*	*Total AED*
Balance at 1 January 2021 (audited)	100,000,000	12,294,193	-	1,729,527		-	47,377,369	161,401,089	-	161,401,089
Profit for the period	-	-	-	-	-	-	32,392,713	32,392,713	2,073,547	34,466,260
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	32,392,713	32,392,713	2,073,547	34,466,260
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	22,685,600	22,685,600
Balance at 30 September 2021(unaudited)	100,000,000	12,294,193	-	1,729,527	-	-	79,770,082	193,793,802	24,759,147	218,552,949
Balance at 1 January 2022 (audited)	100,000,000	12,294,193	716,162,699	7,492,015	-	-	99,239,759	935,188,666	28,141,782	963,330,448
Profit for the period	-	-	-	-	-	-	114,008,923	114,008,923	27,661,244	141,670,167
Other comprehensive loss for the period	-	-	-	-	(44,435,979)	(6,691,333)	-	(51,127,312)	(6,300,538)	(57,427,850)
Total comprehensive income for the period	-	-	-	-	(44,435,979)	(6,691,333)	114,008,923	62,881,611	21,360,706	84,242,317
Business combination of entities under common control (note 5)	141,600,000	-	928,161,048	-	-	-	-	1,069,761,048	980,611,829	2,050,372,877
Disposal of partial interest in subsidiary (note 5)	-	-	-	-	-	-	565,825	565,825	5,767,508	6,333,333
Balance at 30 September 2022 (unaudited)	**241,600,000**	**12,294,193**	**1,644,323,747**	**7,492,015**	**(44,435,979)**	**(6,691,333)**	**213,814,507**	**2,068,397,150**	**1,035,881,825**	**3,104,278,975**

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
For the nine months period ended 30 September 2022

	Notes	*Nine months period ended 30 September* 2022 AED	2021 AED
OPERATING ACTIVITIES			
Profit before tax		**140,507,187**	34,466,260
Adjustments for:			
Depreciation of property, plant and equipment	7	**36,797,204**	2,915,716
Amortisation of intangible assets		**2,771,655**	2,416,918
Depreciation of right-of-use assets		**2,647,040**	397,027
Changes in fair value of investments carried at fair value through profit or loss	9.2	**(22,886,687)**	(10,399,697)
Provision for expected credit losses on trade receivables	10	**20,597,006**	736,276
Provision for expected credit losses on amounts due from related parties	15	**9,995,551**	57,748
Gain on disposal of investment in a joint venture	8	**(37,379,439)**	-
Gain on disposal of property, plant and equipment		**(50,086)**	-
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal	8	**7,077,215**	-
Share of loss from investment in associates and joint ventures	8	**18,489,806**	-
Provision for employees' end of service benefits		**8,556,419**	907,423
Finance costs		**7,745,417**	1,837,145
		194,868,288	33,334,816
Working capital adjustments:			
Inventories		**(17,768,239)**	(4,623,446)
Biological assets		**(16,992,065)**	-
Trade and other receivables		**294,828,951**	(20,369,290)
Amounts due from related parties		**(202,790,623)**	(28,186,784)
Trade and other payables		**(185,326,750)**	(8,859,474)
Amounts due to related parties		**(87,675,023)**	1,225,840
Net cash used in operations		**(20,855,461)**	(27,478,338)
Employees' end of service benefits paid		**(5,799,907)**	(89,726)
Finance costs paid		**(4,098,567)**	(1,359,775)
Net cash used in operating activities		**(30,753,935)**	(28,927,839)
INVESTING ACTIVITIES			
Movement in term deposits with original maturities more than three months		**(5,137,533)**	-
Purchase of property, plant and equipment	7	**(51,155,826)**	(10,338,181)
Addition to intangible assets		**(451,281)**	-
Cash acquired on business combination of entities under common control	5	**51,615,775**	-
Acquisition of subsidiaries		**-**	(34,456,610)
Investment in a joint venture	8	**(1,000,000)**	-
Sale proceeds from disposal of property, plant and equipment		**2,086,934**	-
Proceeds from disposal of interest in subsidiary		**6,333,333**	-
Proceeds from sale of financial assets carried at fair value through profit or loss	9.2	**16,575,085**	-
Purchase of financial assets carried at fair value through profit or loss	9.2	**(21,984,617)**	(16,647,485)
Net cash used in investing activities		**(3,118,130)**	(61,442,276)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) continued
For the nine months period ended 30 September 2022

	Notes	Nine months period ended 30 September 2022 AED	2021 AED
FINANCING ACTIVITIES			
Repayment of lease liabilities		**(3,128,989)**	(450,932)
Net movement in loans from related parties		**125,000,000**	-
Net movement in bank borrowings		**(42,642,570)**	(3,245,108)
Net cash generated from (used in) financing activities		**79,228,441**	(3,696,040)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD		**45,356,376**	(94,066,155)
Cash and cash equivalents at 1 January		**172,411,360**	160,878,459
Effect of foreign exchange rate changes		**(15,642,913)**	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11	**202,124,823**	66,812,304

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

1 ACTIVITIES

Ghitha Holding PJSC *(formerly "Zee Store PJSC")* (the "Company") is a private joint stock company incorporated under the UAE Federal Law No. (2) of 2015 (as amended). The registered address of the Company is P.O. Box 53314, Abu Dhabi, United Arab Emirates.

In the annual general assembly held on 7 January 2022, the shareholders approved to change the name of the Company from "Zee Store PJSC" to "Ghitha Holding PJSC".

These interim condensed consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries (together referred to as the "Group"). The principal activities of the Group are:

- management services and investing in diversified projects;
- trading and importing of food items, including fresh consumables, canned, preserved and frozen foods and providing re-packaging and wrapping services;
- providing food catering services, including meal preparation;
- rearing, hatching, feed processing and sale of poultry products and providing other farming and livestock related services;
- manufacturing and refining of vegetable oils, manufacturing of basic organic chemical acid, plastic bottles and similar containers and plastic closures articles;
- clinkers and hydraulic cements manufacturing, wholesale of cement products trading and industrial, commercial and agricultural enterprises investment, institution and management;
- camps and labor accommodation management; and
- facilities management services, sale and rental of tents and shades, tailoring producing tents pavilions, organizing events and providing interior design work.

IHC Food Holding LLC is the Parent and International Holding Company PJSC is the Ultimate Parent of the Company.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issuance on 26 October 2022.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2021. In addition, results for the nine months period ended 30 September 2022 are not necessarily indicative of the results for the year ending 31 December 2022.

These interim condensed consolidated financial statements have been prepared on the historical cost basis, except for investments in financial assets and biological assets which are stated at fair value.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams (AED), which is the presentation currency of the Group and the functional currency of the Company.

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation

The interim condensed consolidated financial statements of the Group comprise the financial information of the Company and its subsidiaries.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Details of the Company's subsidiaries as at 30 September 2022 and 31 December 2021 were as follows:

Name of subsidiary	*Place of incorporation and operation*	*Principal activities*	*Proportion of ownership interest and voting power held*	
			2022	*2021*
Zee Stores International LLC	UAE	Wholesale of food and non-food items, including fresh consumables, canned, preserved and frozen foods and providing re-packaging and wrapping services.	**100%**	100%
Mega Logistics Park Warehouses Management - Sole Proprietorship LLC	UAE	Warehouses management and operations.	**100%**	100%
Tamween Group LLC	UAE	Holding Company.	**100%**	100%
Tamween Companies Management LLC (i)	UAE	Holding Company.	**100%**	-
Subsidiaries of Zee Stores International LLC:				
Royal Horizon Holding LLC	UAE	Holding Company.	**60%**	60%
Subsidiaries of Royal Horizon Holding LLC:				
Overseas Foodstuff Trading – Sole Proprietorship LLC	UAE	Importing and wholesale of canned and preserved foodstuff trading.	**100%**	100%
Royal Horizon General Trading – Sole Proprietorship LLC	UAE	General trading, retail sale of computer system and software, wholesale of canned and preserved foodstuff trading, importing and exporting, packaging and wrapping of foodstuff.	**100%**	100%
Royal Horizon Fazaa Stores LLC	UAE	Retail and wholesale consumer stores.	**100%**	100%
Al Ufuq Almalaki General Trading - Sole Proprietorship LLC	UAE	General trading, importing, exporting, retail sale of wood products.	**100%**	100%
Subsidiaries of Tamween Group LLC:				
Al Ajban Poultry LLC	UAE	Rearing, hatching, feed processing and sale of poultry products.	**100%**	100%
Alliance Foods Co. LLC	UAE	Trading, processing and packing of seafood products.	**100%**	100%
AGRINV SPV RSC	UAE	Investment Company.	**100%**	100%
Subsidiary of AGRINV SPV RSC:				
Al-Hashemiya for Land Reclamation and Cultivation S.A.E.	Egypt	Land cultivation, land-reclaimed farming, raising all kinds of livestock and sheep produced and providing other farming and livestock related services.	**99.99%**	99.99%
Subsidiaries of Tamween Companies Management LLC:				
Apex Investment PSC *(formerly "Ras Al Khaimah Cement Investment Public JSC")* (i)	UAE	Holding Company.	**51.5%**	-
Mirak Royal Nature Fruit and Vegetable LLC (i)	UAE	Trading of baby foods items, food and beverages, vegetables and fruits.	**80%**	-
Al Jaraf Fisheries LLC (i)	UAE	Wholesale of fresh fish and Marine animals Trading.	**100%**	-

2 BASIS OF PREPARATION continued

2.2 Basis for consolidation continued

Name of subsidiary	*Place of incorporation and operation*	*Principal activities*	*Proportion of ownership interest and voting power held*	
			2022	*2021*
Subsidiaries of Tamween Companies Management LLC: (continued)				
Abu Dhabi Vegetable Oil Company LLC (i)	UAE	Manufacturing and refining of vegetable oils, manufacturing of basic organic chemical acid, plastic bottles and similar containers and plastic closures articles.	**70%**	-
Subsidiary of Abu Dhabi Vegetable Oil Company LLC:				
Cebag Middle East LLC	UAE	Food and beverage trading.	**98%**	-
Subsidiaries of Apex Investment PSC:				
Apex Holding LLC	UAE	Investment Company.	**100%**	-
Ras Al Khaimah Cement Co. LLC	UAE	Clinkers and hydraulic cement manufacturers and wholesale of cement products trading.	**100%**	-
Apex Alwataniah Catering Service LLC	UAE	Food catering.	**100%**	-
The Central Tents Company – Sole Proprietorship LLC	UAE	Sale and rental of tents.	**100%**	-
R R Facility Management – Sole Proprietorship LLC	UAE	Facilities management services.	**100%**	-
Boudoir Interiors - Sole Proprietorship LLC	UAE	Interior design implementation works.	**100%**	-
Apex National Investment LLC	UAE	Investment, institution and management of enterprises.	**100%**	-
Support Services Catering Company – Sole Proprietorship LLC	UAE	Building cleaning services.	**100%**	-
Apex Companies Management LLC	UAE	Management services of companies and private institutions	**40%**	-
Apex Construction and Development – Sole Proprietorship LLC	UAE	Real estate development and construction.	**100%**	-
Apex Padel Sport – Sole Proprietorship LLC	UAE	Tennis club.	**100%**	-
Apex Alwataniah Logistics – Sole Proprietorship LLC	UAE	Land, marine, air shipment and clearance.	**100%**	-
Apex UL Investment LLC	UAE	Commercial enterprises investment.	**51%**	-
Riva Marine General Marine Services – Sole Proprietorship LLC	UAE	Marine machine and equipment repair and maintenance.	**100%**	-
Subsidiaries of Al Jaraf Fisheries LLC:				
Pristine Caviar – Sole Proprietorship LLC	UAE	Wholesale of fresh fish and Marine animals Trading	**100%**	-
Pristine Fish Farm – Sole Proprietorship LLC	UAE	Land-based Aquaculture	**100%**	-
Pristine Seafood Production LLC	UAE	Fish and seafood processing and preserving	**100%**	-
Emirates Fish Farm - Sole Proprietorship LLC	UAE	Wholesale of fresh fish and Marine animals Trading	**100%**	-

(i) Subsidiaries acquired during the period (note 5).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied by the Group in the preparation of the consolidated financial statements as at and for the year ended 31 December 2021, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- IAS 41 Agriculture – Taxation in fair value measurements
- Amendments to IAS 37 **-** Onerous Contracts – Costs of Fulfilling a Contract
- Amendments to IFRS 3 **-** Reference to the Conceptual Framework
- Amendments to IAS 16 **-** Property, Plant and Equipment: Proceeds before Intended Use

These amendments had no significant impact on the interim condensed consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards requires management to make judgment, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments, estimates and assumptions also affect the revenue, expenses and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

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

5 BUSINESS COMBINATIONS

5.1 Business combination under common control

During the period, the Group acquired the following entities under common control. The acquisition is excluded from the scope of International Financial Reporting Standard 3 (IFRS 3) "Business Combinations" as it is business combination of entities under common control, given that the Group and the acquired entities are ultimately controlled by the same party before and after the acquisition. The acquisition has been accounted for in the interim condensed consolidated financial statements using the pooling of interest method, which reflects the economic substance of the transaction. The Group has elected to consolidate the income, expenses, assets and liabilities of acquired entities from the date of acquisition.

5 BUSINESS COMBINATIONS continued

5.1 Business combination under common control continued

Tamween Companies Management LLC ("Tamween")
Effective 30 April 2022, the Company acquired 100% interest in Tamween Companies Management LLC and its subsidiaries ("Tamween") by issuing 141,600,000 new shares at a par value of AED 1 per share. Tamween is a limited liability company, registered and incorporated in the Emirate Abu Dhabi and is engaged in the business of management services and investing in diversified projects. The subsidiaries of Tamween and the ownership interests are as follows:

Name of entities	*Place of incorporation and operation*	*Principal activities*	*Ownership interest*
Apex Investment PSC *(formerly "Ras Al Khaimah Cement Investment Public J.S.C")* and its subsidiaries	United Arab Emirates	Clinkers and hydraulic cements manufacturing, wholesale of cement products trading and industrial, commercial and agricultural enterprises investment, institution and management, providing food catering, ready-made food catering contracts (meal preparation), camps and labor accommodation management, facilities management services, onshore and offshore oil and gas fields and facilities services, sale and rental of tents and shades, tailoring producing tents pavilions, organizing parties and events and providing interior design work.	**51.5%**
Mirak Royal Nature Fruit and vegetable LLC	United Arab Emirates	Trading of baby foods items, food and beverages, vegetables and fruits.	**80%**
Al Jaraf Fisheries LLC and its subsidiaries	United Arab Emirates	Retail sale of fresh fish and marine animals.	**100%**
Abu Dhabi Vegetable Oil Company LLC and its subsidiary	United Arab Emirates	Manufacturing and refining of vegetable oils, manufacturing of basic organic chemical acid, plastic bottles and similar containers and plastic closures articles.	**75%**

From the date of acquisition, Tamween contributed revenue and profit to the Group amounting to AED 634,271,007 and AED 39,775,905, respectively. If the acquisition had taken place at the beginning of the year, Tamween Companies Management LLC would have contributed revenue and profit to the Group amounting to AED 1,076,884,858 and AED 135,103,725 respectively.

5 BUSINESS COMBINATIONS continued

5.1 Business combination under common control continued

Tamween Companies Management LLC ("Tamween") continued

Assets acquired and liabilities assumed
The carrying values of the identifiable assets acquired and liabilities assumed of Tamween and its subsidiaries as at the date of acquisition were as follows:

	(Unaudited) *AED*
Assets	
Property, plant and equipment	501,939,243
Intangible assets and goodwill	14,754,605
Right-of-use assets	21,300,141
Investment in an associate	34,929,208
Investment in financial assets	783,305,715
Biological assets	7,273,522
Inventories	110,610,542
Amounts due from related parties	218,645,973
Trade and other receivables	1,005,314,611
Cash and bank balances	51,615,775
Total assets	**2,749,689,335**
Liabilities	
Employees' end of service benefits	10,724,418
Bank borrowings	39,399,468
Lease liabilities	24,637,868
Loan from a related party	25,000,000
Amounts due to related parties	219,585,326
Trade and other payables	379,969,378
Total liabilities	**699,316,458**
Net assets	**2,050,372,877**
Less: Non-controlling interests	**(980,611,829)**
Proportionate share of identifiable net assets acquired	**1,069,761,048**
Share capital issued as purchase consideration (note 12)	(141,600,000)
Merger reserve	**928,161,048**

5.2 Reduction in shareholding without a loss of control

Partial disposal of shareholding in a subsidiary against consideration
During the period, the Group's shareholding in the Abu Dhabi Vegetable Oil Company LLC decreased as a result of partial disposal of 5% interest for a consideration of AED 6,333,333. Following is a summary of the reduction in shareholding, with corresponding increase in non-controlling interest:

5 BUSINESS COMBINATIONS continued

5.2 Reduction in shareholding without a loss of control continued

	(Unaudited) *AED*
Reduction in shareholding (%)	5%
Carrying value of the shareholding disposed-off (NCI)	5,767,508
Less: consideration received	(6,333,333)
Difference recognised directly in retained earnings	**(565,825)**

6 REVENUE FROM CONTRACT WITH CUSTOMERS

	Three months ended 30 September		*Nine months ended 30 September*	
	2022 AED	*2021 AED*	***2022 AED***	*2021 AED*
Types of goods or services				
Sale of goods	**421,062,875**	128,171,213	**1,100,171,622**	409,337,586
Catering services	**104,340,745**	-	**182,074,194**	-
Sale of tents	**26,575,331**	-	**105,737,263**	-
Facility management services	**48,130,812**	-	**74,980,558**	-
Sale of cement	**19,982,796**	-	**31,041,433**	-
Contracting services	**6,038,649**	-	**14,249,213**	-
	626,131,208	128,171,213	**1,508,254,283**	409,337,586
Geographical concentration of revenue				
Within UAE	**584,970,583**	128,171,213	**1,412,925,676**	409,337,586
Outside UAE	**41,160,625**	-	**95,328,607**	-
	626,131,208	128,171,213	**1,508,254,283**	409,337,586
Timing of revenue recognition				
Goods and services transferred at a point in time	**552,331,639**	128,171,213	**1,403,355,103**	409,337,586
Goods and services transferred over time	**73,799,569**	-	**104,899,180**	-
	626,131,208	128,171,213	**1,508,254,283**	409,337,586

7 PROPERTY, PLANT AND EQUIPMENT

During the period, additions to property, plant and equipment amounted to AED 51,155,826 (nine months period ended 30 September 2021: AED 10,338,181), excluding property, plant and equipment acquired through business combination, and depreciation for the nine months period ended 30 September 2022 amounted to AED 36,797,204 (nine months period ended 30 September 2021: AED 2,915,716). During the period, assets with a net book value of AED 2,036,848 were disposed off (nine months period ended 30 September 2021: nil). Property, property and equipment acquired through business combination amounted to AED 501,939,243 (note 5) (nine months period ended 30 September 2021: AED 12,121,218).

8 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Details of the Group's associates and joint ventures are as follows:

Name of entity	*Principal activities*	*Place of incorporation and operation*	*Ownership interest*	
			2022	*2021*
Associates:				
NRTC Food Holding LLC	Commercial enterprises investment, institution and management.	UAE	**41%**	41%
Reem Ready Mix LLC (i)	Manufacturing and sale of concrete ready mix and providing concrete pumping services	UAE	**20%**	-
Joint ventures:				
Sky Go Transport of Goods LLC (ii)	Engaged in air transportation for goods using unmanned aerial vehicles (Drones)	UAE	**50%**	-
Agriculture Investment Holding Company (Ethmar) Ltd. (iii)	General trading, importing, exporting, storing in public store houses, commercial brokers and storekeepers and warehouses management and operations. Wholesale of fodder trading canned and preserved foodstuff trading, frozen foodstuff trading and agriculture foodstuff trading.	UAE	**-**	50%

i) Reem Ready Mix LLC ("Reem")

During the period, Reem Ready Mix LLC became associate of the Group as a result of the acquisition of Apex Investment PSC, an entity acquired under common control (note 5).

ii) Sky Go Transport of Goods LLC ("Sky")

During the period, the Group acquired 50% shareholding in Sky Go Transport of Goods LLC for a consideration of AED 1,000,000.

iii) Agriculture Investment Holding Company ("Ethmar") Ltd.

On 1 April 2022, the Group disposed-off its investment in Agriculture Investment Holding Company ("Ethmar") Ltd to a related party for a consideration of AED 101,000,000.

Gain on disposal of investment in a joint venture is calculated as follows:

	(Unaudited) AED
Carrying value of the investment at the beginning of the period	101,013,776
Share of loss for the period	(30,316,000)
Share of other comprehensive loss for the period	(7,077,215)
Carrying value at the date of disposal	**63,620,561**
Less: sale consideration	(101,000,000)
Gain on disposal	**(37,379,439)**

8 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

Movement in investment in associates and joint ventures is as follows:

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
At the beginning of the period / year	**270,498,616**	-
Acquired in business combination (note 5)	**34,929,208**	270,498,616
Acquisition during the period/year	**1,000,000**	-
Disposal during the period/year	**(63,620,561)**	-
Share of other comprehensive loss for the period / year	**(7,077,215)**	-
Share of loss for the period / year	**(18,489,806)**	-
At the end of the period / year	**217,240,242**	270,498,616

9 INVESTMENT IN FINANCIAL ASSETS

	Notes	*(Unaudited) 30 September 2022 AED*	*(Audited) 31 December 2021 AED*
Investments carried at fair value through other comprehensive income	9.1	**197,140,061**	-
Investments carried at fair value through profit or loss	9.2	**684,217,021**	82,747,019
		881,357,082	82,747,019

Disclosed in the interim consolidated statement of financial position as follows:

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Current	**684,217,021**	82,747,019
Non-current	**197,140,061**	-
	881,357,082	82,747,019

9.1 Investments carried at fair value through other comprehensive income

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Quoted equity investments and inside the UAE	**192,071,694**	-
Unquoted equity investments and inside the UAE	**5,068,367**	-
	197,140,061	-

9 INVESTMENT IN FINANCIAL ASSETS continued

9.1 Investments carried at fair value through other comprehensive income continued

These investments in equity instruments are not held for trading. Instead, they are held for long-term strategic purposes. Accordingly, management of the Group has elected to designate these investments in financial instruments as FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

The investments are recorded at fair value using the valuation techniques as disclosed in note 17. Movement in investment in financial assets carried at fair value through other comprehensive income is as follows:

	***(Unaudited)* 30 September 2022 AED**	*(Audited)* 31 December 2021 AED
At the beginning of the period / year	**-**	-
Acquired in business combination	**210,131,932**	-
Changes in fair value	**(12,991,871)**	-
At the end of the period / year	**197,140,061**	-

9.2 Investments carried at fair value through profit or loss

	***(Unaudited)* 30 September 2022 AED**	*(Audited)* 31 December 2021 AED
Quoted equity investments and inside the UAE	**684,217,021**	82,747,019

These investments in equity instruments are held for trading with an intention of recognising short-term fluctuations in these investments.

The investments are recorded at fair value using the valuation techniques as disclosed in note 17. Movement in investments in financial assets carried at fair value through profit or loss is as follows:

	***(Unaudited)* 30 September 2022 AED**	*(Audited)* 31 December 2021 AED
At the beginning of the period / year	**82,747,019**	-
Acquired in business combination	**573,173,783**	-
Additions during the period / year	**21,984,617**	50,822,243
Disposal during the period / year	**(16,575,085)**	-
Changes in fair value during the period / year	**22,886,687**	31,924,776
At the end of the period / year	**684,217,021**	82,747,019

10 TRADE AND OTHER RECEIVABLES

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Trade receivables	**745,564,050**	144,105,266
Less: provision for expected credit losses	**(62,770,620)**	(14,768,581)
	682,793,430	129,336,685
Advances to suppliers	**51,691,904**	5,244,355
Deposits and other receivables, net	**35,421,846**	13,904,737
Unbilled receivables	**53,755,699**	-
Prepayments	**19,912,328**	5,200,776
	843,575,207	153,686,553

Movement in the provision for expected credit losses on trade receivables is as follows:

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
At the beginning of the period / year	**14,768,581**	847,885
Acquired in business combinations	**27,877,619**	12,976,127
Write off	**(472,586)**	-
Charge for the period / year	**20,597,006**	944,569
At the end of the period / year	**62,770,620**	14,768,581

The carrying amounts of the Group's trade receivables are denominated in the UAE Dirham. The maximum exposure to credit risk at the reporting date is the carrying value of each class of the receivables mentioned above. The Group does not hold any collateral as security.

11 CASH AND BANK BALANCES

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Cash in hand	**3,180,255**	1,750,948
Bank balances		
Current accounts	**212,353,826**	170,686,923
Term deposits	**7,431,502**	2,293,969
Less: allowance for expected credit losses	**(31,547)**	(26,511)
Cash and bank balances	**222,934,036**	174,705,329
Less: term deposits with an original maturity of more than three months	**(7,431,502)**	(2,293,969)
Less: bank overdrafts	**(13,377,711)**	-
Cash and cash equivalents	**202,124,823**	172,411,360

Term deposits are placed with commercial banks. These are mainly denominated in the UAE Dirhams and earn interest at market rates. These deposits have original maturity between 3 to 12 months.

12 SHARE CAPITAL

	***(Unaudited)* 30 September 2022 AED**	*(Audited) 31 December 2021 AED*
Authorised, issued and fully paid shares		
241,600,000 ordinary shares of AED 1 each (31 December 2021: 100,000,000 ordinary shares of AED 1 each)	**241,600,000**	100,000,000

During the period, the shareholders approved to increase the share capital of the Company from AED 100,000,000 to AED 241,600,000 through the issuance of 141,600,000 new shares at a par value of AED 1. The new shares were issued as a purchase consideration for the acquisition of Tamween Companies Management LLC (note 5), in the following manner;

	***(Unaudited)* No. of shares**	*(Unaudited) AED*
IHC Food Holding LLC	131,600,000	131,600,000
Al Ataa Investment L.L.C	10,000,000	10,000,000
	141,600,000	**141,600,000**

Contributed capital

Contributed capital represents a long term interest free advance from shareholders with no fixed terms of repayment. The shareholders have confirmed that this will not be called in the foreseeable future, and that, on dissolution of the company, the rights, benefits and obligations in the residual net assets and liabilities, attached to the balance in the additional shareholder contribution account, shall rank pari passu with those attached to the share capital of the company. Therefore, this advance is more akin to an equity instrument rather than a liability, and accordingly the balance has been presented within equity.

13 STATUTORY RESERVE

In accordance with the UAE Federal Law No. 2 of (2015) (as amended), and the Company's Articles of Association, 10% of the profit for the year is transferred to legal reserve, which is non-distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the share capital of the Company.

14 BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period attributed to the owners of the Company by the weighted average number of shares in issue throughout the period as follows:

	***(Unaudited)* Three months ended 30 September**		***(Unaudited)* Nine months ended 30 September**	
	2022 AED	*2021 AED*	**2022 AED**	*2021 AED*
Profit attributable to the owners of the Company (AED)	**52,341,478**	11,445,098	**114,008,923**	32,392,713
Weighted average number of shares (No.)	**241,600,000**	100,000,000	**179,650,000**	100,000,000
Basic earnings per share for the period (AED)	**0.22**	0.11	**0.63**	0.32

15 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the shareholders, associated companies, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Balances due from related parties included in the interim consolidated statement of financial position are as follows:

	(Unaudited) *30 September* *2022* *AED*	*(Audited)* *31 December* *2021* *AED*
Amounts due from related parties:		
Entities under common control		
International Securities LLC	**100,945,346**	1,105,833
Tamouh Healthcare LLC	**125,868,413**	12,483,843
ATGC Transport & GC LLC	**77,598,387**	-
National Petroleum Construction Company LLC	**43,837,106**	-
Moon Flower Real Estate Development LLC	**17,459,211**	-
Asmak Holding Company Limited	**13,588,607**	16,218,618
Tamouh Healthcare Group LLC	**23,764,239**	-
Construction Workers Residential City LLC	**1,754,740**	-
PAL Cooling Holding LLC	**1,263,073**	-
National Marine Dredging Company PJSC	**946,557**	-
International Holding Company PJSC	**-**	5,628,281
Cine Royal Cinema LLC	**462,791**	333,761
Al Masira Cargo Transports LLC	**-**	173,590
Al Yasat Catering and Restaurant Supplies LLC	**-**	3,090,024
Union Professional Electrical and Mechanical Works	**-**	158,855
Others	**2,301,447**	9,902,352
	409,789,917	49,095,157
Other related parties		
The Private Affairs Department of Sheikha Fatima	**112,143,376**	48,103,895
Wadi Alsidr Commercial Investment LLC	**101,300,000**	-
Meena Palace	**27,442,979**	29,805,721
Sarha Ship	**3,075,834**	3,331,800
Others	**3,402,958**	1,276,982
	657,155,064	131,613,555
Less: allowance for excepted credit losses	**(13,569,150)**	(468,686)
	643,585,914	131,144,869

Set out below is the movement in the allowance for expected credit losses of due from related parties:

	(Unaudited) *30 September* *2022* *AED*	*(Audited)* *31 December* *2021* *AED*
At the beginning of the period / year	**468,686**	651,737
Acquired in business combination	**3,104,913**	47,706
Write off during the period / year	**-**	(210,959)
Provision for (reversal of) expected credit losses	**9,995,551**	(19,798)
At the end of the period / year	**13,569,150**	468,686

15 RELATED PARTY TRANSACTIONS AND BALANCES continued

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Balances with a financial institution ***(other related party)***	**180,743,139**	133,356,295
Borrowings from a financial institution ***(other related party)***	**59,337,352**	75,202,694
Investment in financial assets ***(entities under common control)***	**836,485,052**	77,022,528
Lease liabilities ***(under common control)***	**4,692,900**	-

Balances due to related parties included in the interim consolidated statement of financial position are as follows:

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Amounts due to related parties:		
Entities under common control		
International Holding Company PJSC	**90,377,590**	95,495,863
Al Rayan Investment	**8,141,357**	-
Trojan General Contracting LLC	**5,112,659**	-
Asmak Holding Company Limited	-	1,996,916
Others	**243,583**	3,730,109
	103,875,189	101,222,888
Other related parties		
Infinity Wave Holding LLC	**49,033,630**	-
Chimera Investments LLC	**42,418,190**	-
Pal Technology Services LLC	**32,066,863**	-
Royal Group Companies Management LLC	**2,610,552**	-
NRTC Dubai International Fruits & Vegetables LLC	**1,358,677**	-
H.H. Sheikh Tahnoon Bin Zayed Al Nahyan	**400,000**	400,000
Others	**1,770,090**	-
	233,533,191	101,622,888
Loans from related parties		
IHC Food Holding LLC	**131,541,388**	80,811,111
International Holding Company PJSC	**100,694,001**	-
	232,235,389	80,811,111

15 RELATED PARTY TRANSACTIONS AND BALANCES continued

Loans from related parties continued

Loans from related parties are analysed in the interim condensed consolidated statement of financial position as follows:

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Current	**217,235,389**	80,811,111
Non-current	**15,000,000**	-
	232,235,389	80,811,111

Set out below is the movement in the loans from related parties:

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
At the beginning of the period / year	**80,811,111**	80,000,000
Acquired in business combination (note 5)	**25,000,000**	-
Additions during the period / year (i & ii)	**125,000,000**	-
Finance cost capitalized during the period / year	**1,424,278**	811,111
At the end of the period / year	**232,235,389**	80,811,111

(i) On 29 December 2020, the Group obtained a loan from IHC Food Holding LLC amounting to AED 80,000,000, to finance future investments and other business operations. The loan is payable on demand, unsecured and carries interest at the rate of 1% per annum. During the period, the Group further obtained loan from IHC Food Holding LLC of AED 25,000,000, having a maturity of 31 December 2023. The loan is unsecured and carries interest at the rate of 1% per annum.

(ii) During the period, the Group obtained a loan from International Holding Company PJSC amounting to AED 100,000,000, to finance future investments and other business operations, having a maturity of 31 December 2022. The loan is unsecured and carries interest at the rate of 1% per annum.

Transactions with related parties entered during the period were as follows:

	(Unaudited) Three months ended 30 September		***(Unaudited) Nine months ended 30 September***	
	2022 AED	*2021 AED*	***2022 AED***	*2021 AED*
Revenues				
Entities under common control	**105,703,646**	11,662,198	**159,502,723**	30,486,699
Other related parties	**90,034,123**	70,588,121	**278,784,510**	229,650,989
	195,737,769	82,250,319	**438,287,233**	260,137,688

15 RELATED PARTY TRANSACTIONS AND BALANCES continued

	(Unaudited) Three months ended 30 September		*(Unaudited) Nine months ended 30 September*	
	2022 AED	*2021 AED*	***2022 AED***	*2021 AED*
Cost of goods sold				
Entities under common control	**4,770,947**	3,518,035	**7,674,713**	10,249,433
Other related parties	**1,351,263**	1,689,226	**3,253,140**	1,729,596
	5,759,565	5,207,261	**10,927,853**	11,979,029
Interest expense on loans from related parties	**489,989**	-	**1,424,278**	-
Interest expense on leases from related parties	**157,284**	-	**157,284**	-
Interest expense on borrowings from a financial institution	**793,751**	-	**1,832,712**	-
Gain on disposal of investment in a joint venture to a related party	**-**	-	**37,379,439**	-
General and administrative expenses				
Entities under common control	**357,321**	-	**897,654**	-
Other related parties	**18,135**	57,729	**54,405**	57,729
	375,456	57,729	**952,059**	57,729

Compensation of key management personnel

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

	(Unaudited) Three months ended 30 September		*(Unaudited) Nine months ended 30 September*	
	2022 AED	*2021 AED*	***2022 AED***	*2021 AED*
Management remuneration	**4,163,064**	360,449	**8,626,173**	1,081,346
Employees' end of service benefits	**138,443**	21,377	**286,607**	63,434
	4,301,507	381,826	**8,912,780**	1,144,780

16 CONTINGENT LIABILITIES AND COMMITMENTS

	(Unaudited) 30 September 2022 AED	*(Audited) 31 December 2021 AED*
Letters of credit and guarantee	**23,631,228**	25,743,964
Commitment for capital expenditures	**143,350**	1,152,150

The above letters of guarantee have been issued from a local bank in the ordinary course of business on which the bank charges a fee at the market rate.

17 FAIR VALUES MEASUREMENT

Fair value of the Group's assets that are measured at fair value on recurring basis
Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable and gives information about how the fair value of these financial assets are determined

- 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 based on observable market data.

The Group held the following financial instrument measured at fair value:

	Fair value as at					
	30 September 2022 (unaudited) AED	*31 December 2021 (audited) AED*	***Fair value hierarchy***	***Valuation techniques and key inputs***	***Significant unobservable input***	***Relationship of unobservable inputs to fair value***
<u>Financial assets:</u>						
Quoted equity investments – investments carried at fair value through profit of loss	**684,217,021**	82,747,019	Level 1	Quoted bid prices in an active market.	None	Not applicable
Quoted equity investments – investments carried at fair value through other comprehensive income	**192,071,694**	-	Level 1	Quoted bid prices in an active market.	None	Not applicable
Unquoted equity investments – investments carried at fair value through other comprehensive income	**5,068,367**	-	Level 3	Discounted cash flow method and latest transaction price.	Net assets value	Higher the net assets value of the investees, higher the fair value.

There were no transfers between each of levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

18 SEASONALITY OF RESULTS

No significant income of seasonal nature was recorded in the interim condensed consolidated statement of profit or loss for the nine months period ended 30 September 2022 and 30 September 2021.

19 SEGMENT REPORTING

For operating purposes, the Group organised into business segments as follows:

Consumer goods	Includes retail and wholesale of traded and manufactured consumer products
Catering	Offers catering services to public and private organizations in UAE
Facility Management Services	Offers a range of facilities management services with customized solutions to various businesses across a variety of sectors
Manufacturing	Engaged in the manufacturing and distribution of clinker and cements across UAE and internationally.
Contracting	Provides tents, shades and mobile halls to customers, building field hospitals and offers a wide range of services including planning, design consultancy and delivery of high end interiors
Others	(unallocated) includes head office expenses and income not allocated to any segment

19 SEGMENT REPORTING continued

Nine months period ended 30 September (Unaudited)

Description	Consumer goods 2022 AED	Consumer goods 2021 AED	Catering 2022 AED	Catering 2021 AED	Facility management services 2022 AED	Facility management services 2021 AED	Manufacturing 2022 AED	Manufacturing 2021 AED	Contracting 2022 AED	Contracting 2021 AED	Others 2022 AED	Others 2021 AED	Inter segment eliminations 2022 AED	Inter segment eliminations 2021 AED	Total 2022 AED	Total 2021 AED
Revenue from contract with customers	1,184,503,986	409,337,586	187,269,520	-	73,123,362	-	31,041,433	-	124,462,808	-	-	-	(92,146,826)	-	1,508,254,283	409,337,586
Cost of sales	(1,045,835,148)	(354,581,387)	(120,275,391)	-	(43,627,793)	-	(33,465,418)	-	(101,627,286)	-	-	-	92,146,826	-	(1,252,684,210)	(354,581,387)
Gross profit	138,668,838	54,756,199	66,994,129	-	29,495,569	-	(2,423,985)	-	22,835,522	-	-	-	-	-	255,570,073	54,756,199
General and administrative expenses	(72,807,396)	(29,765,793)	(6,503,352)	-	(10,540,331)	-	(19,486,212)	-	(6,170,439)	-	(4,484,431)	-	525,725	-	(119,466,436)	(29,765,793)
Selling and distribution expenses	(35,979,775)	-	-	-	-	-	-	-	-	-	-	-	-	-	(35,979,775)	-
Share of loss from investment in associates and joint ventures	(16,602,622)	-	-	-	-	-	-	-	-	-	(1,887,184)	-	-	-	(18,489,806)	-
Gain on disposal of an investment in a joint venture	37,379,439	-	-	-	-	-	-	-	-	-	-	-	-	-	37,379,439	-
Share of other comprehensive loss of a joint venture reclassified to profit or loss on disposal	(7,077,215)	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,077,215)	-
Changes in fair value of investments carried at fair value through profit or loss	28,926,529	10,399,697	-	-	-	-	-	-	-	-	(6,039,842)	-	-	-	22,886,687	10,399,697
Other income	11,754,416	913,302	-	-	1,790,540	-	93,085	-	3,421	-	993,497	-	(1,205,322)	-	13,429,637	913,302
Finance cost	(7,788,534)	(1,837,145)	(127,356)	-	(40,735)	-	(458,471)	-	(9,119)	-	(799)	-	679,597	-	(7,745,417)	(1,837,145)
Taxation	1,162,980	-	-	-	-	-	-	-	-	-	-	-	-	-	1,162,980	-
Profit for the period	77,636,660	34,466,260	60,363,421	-	20,705,043	-	(22,275,583)	-	16,659,385	-	(11,418,759)	-	-	-	141,670,167	34,466,260

Description	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED	September 30 2022 AED	December 31 2021 AED
Segment assets	2,270,089,770	1,488,815,044	902,481,087	-	179,267,869	-	440,869,103	-	397,155,336	-	4,300,204,259	-	(4,310,550,393)	-	4,179,517,031	1,488,815,044
Segment liabilities	1,188,819,403	525,484,596	116,436,061	-	53,979,257	-	78,206,333	-	243,585,784	-	273,332,680	-	(879,121,462)	-	1,075,238,056	525,484,596